



**PT MUTUAGUNG LESTARI**  
*Sustainable Palm Oil Certification*  
**Main Assessment**  
**(Public Summary Report)**

Plantation Manager/Owner : Minamas Plantation - SIME DARBY Group  
 Plantation Name : **PT Ladangrumpun Suburabadi and PT Sajang Heulang**  
 Country : Indonesia  
 Location : District of Tanah Bumbu  
 South Kalimantan Province  
 Certificate Code : **MUTU-RSPO/006**  
 Date of certificate issue : *July, 06<sup>th</sup>, 2011*  
 Date of expiry of certificate : *July, 06<sup>th</sup>, 2011*

	<b>Assessment date</b>	<b>Report finalisation date</b>	<b>PT Mutuagung Lestari Assessors</b>	<b>Checked by</b>	<b>Approved by</b>
<b>PA</b>	03-08/05/2010	19/07/2010	Deni A. Novendi, Aryo Gustomo	Taufik Margani	Tony Arifiarachman
<b>MA</b>	04-09/10/2010	29/12/2010	Deni A. Novendi, Heri Satono, Muardi Marwas, Ibnu Satria	Taufik Margani	Tony Arifiarachman
<b>S1</b>					
<b>S2</b>					
<b>S3</b>					
<b>S4</b>					

<b>Submitted to RSPO on:</b>	<b>Reviewed by RSPO on:</b>	<b>CB Responds on:</b>	<b>Approved by RSPO on:</b>
26/01/2011	25/03/2011	17/06/2011	30/06/2011

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MUTU Certification • Approved by RSPO Secretariat on June 2008

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Figure 1 Region Maps of PT Ladangrumpun Suburabadi and PT Sajang Heulang

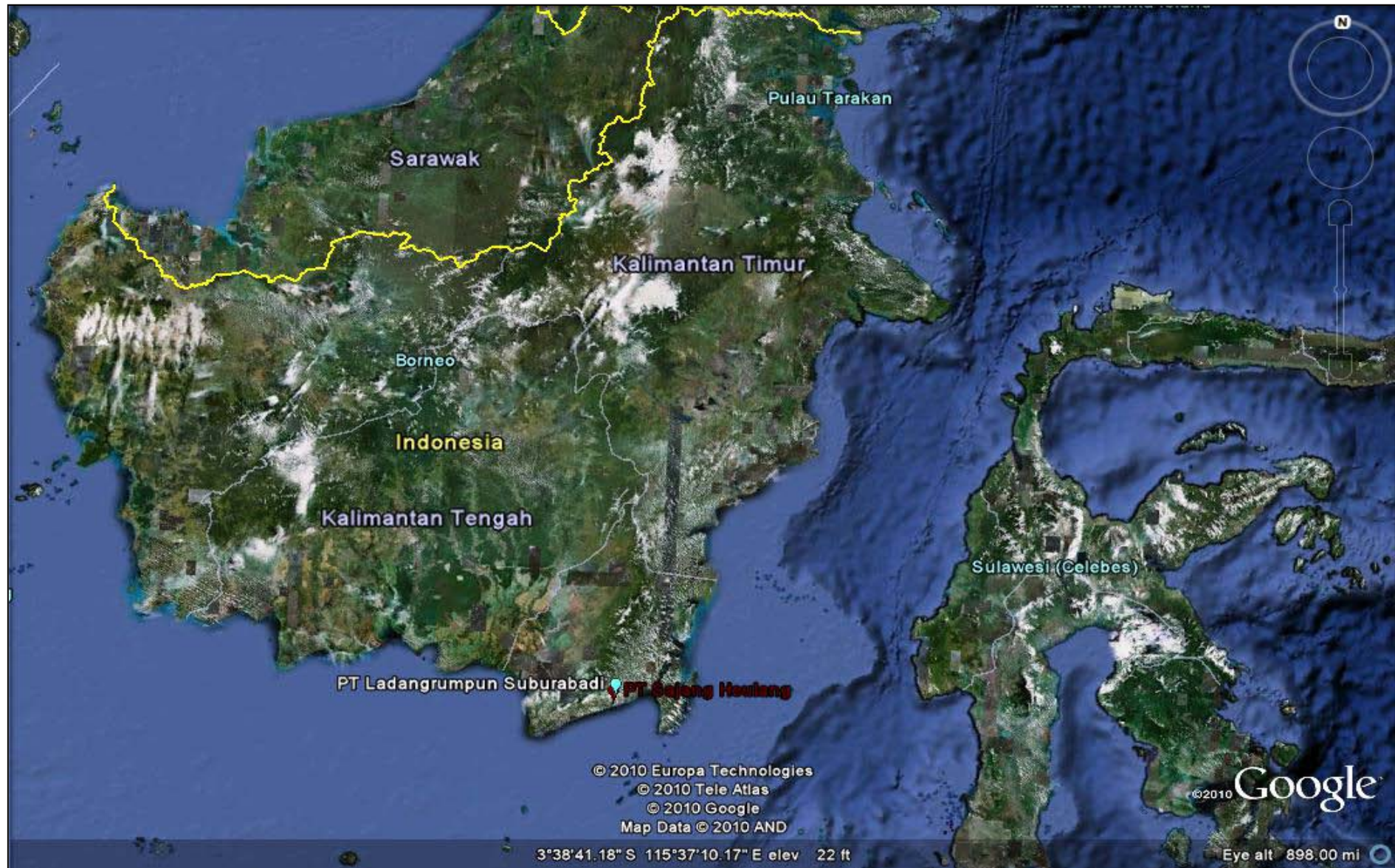




Figure 2. Location Maps of PT Ladangrumpun Suburabadi and PT Sajang Heulang

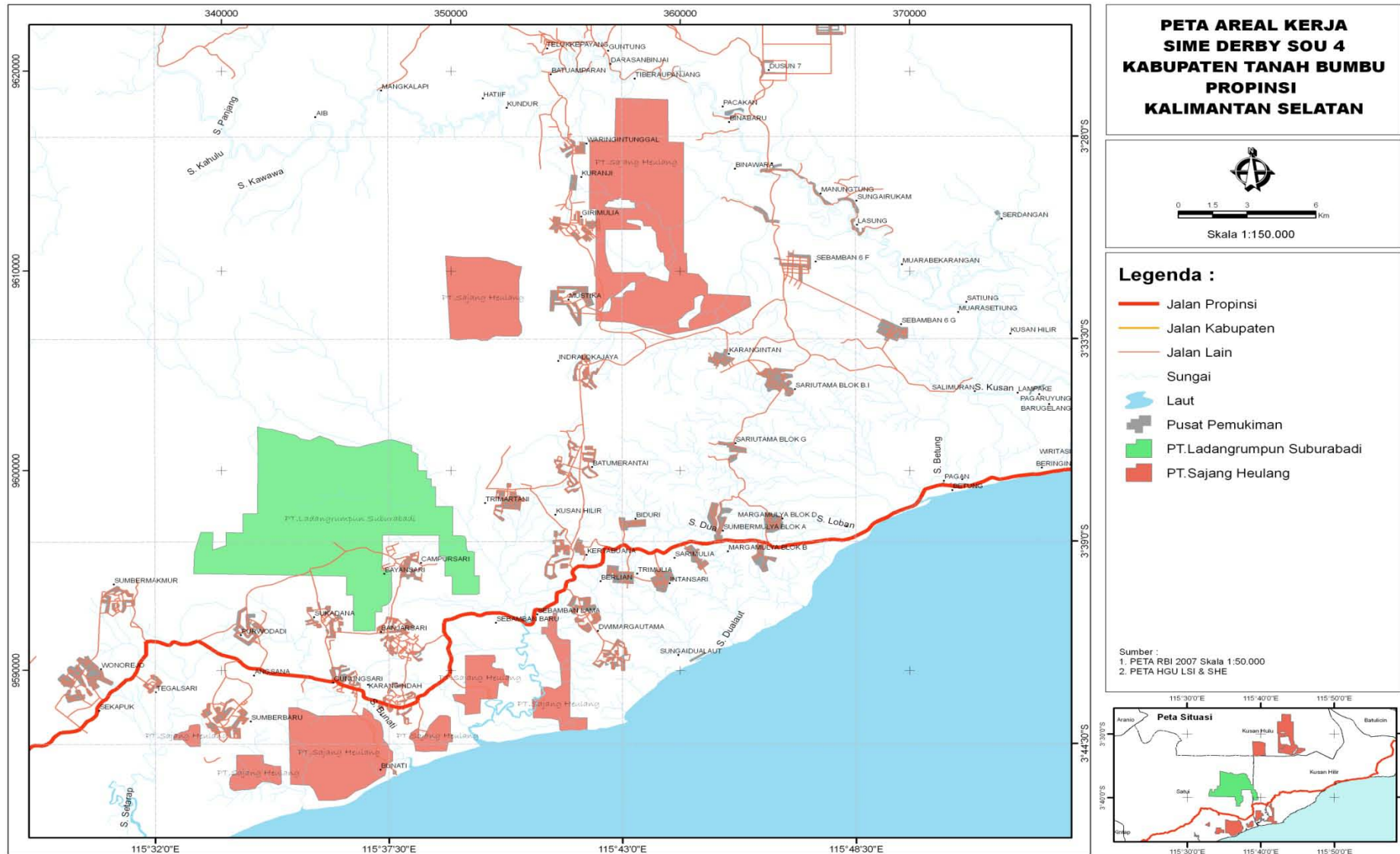
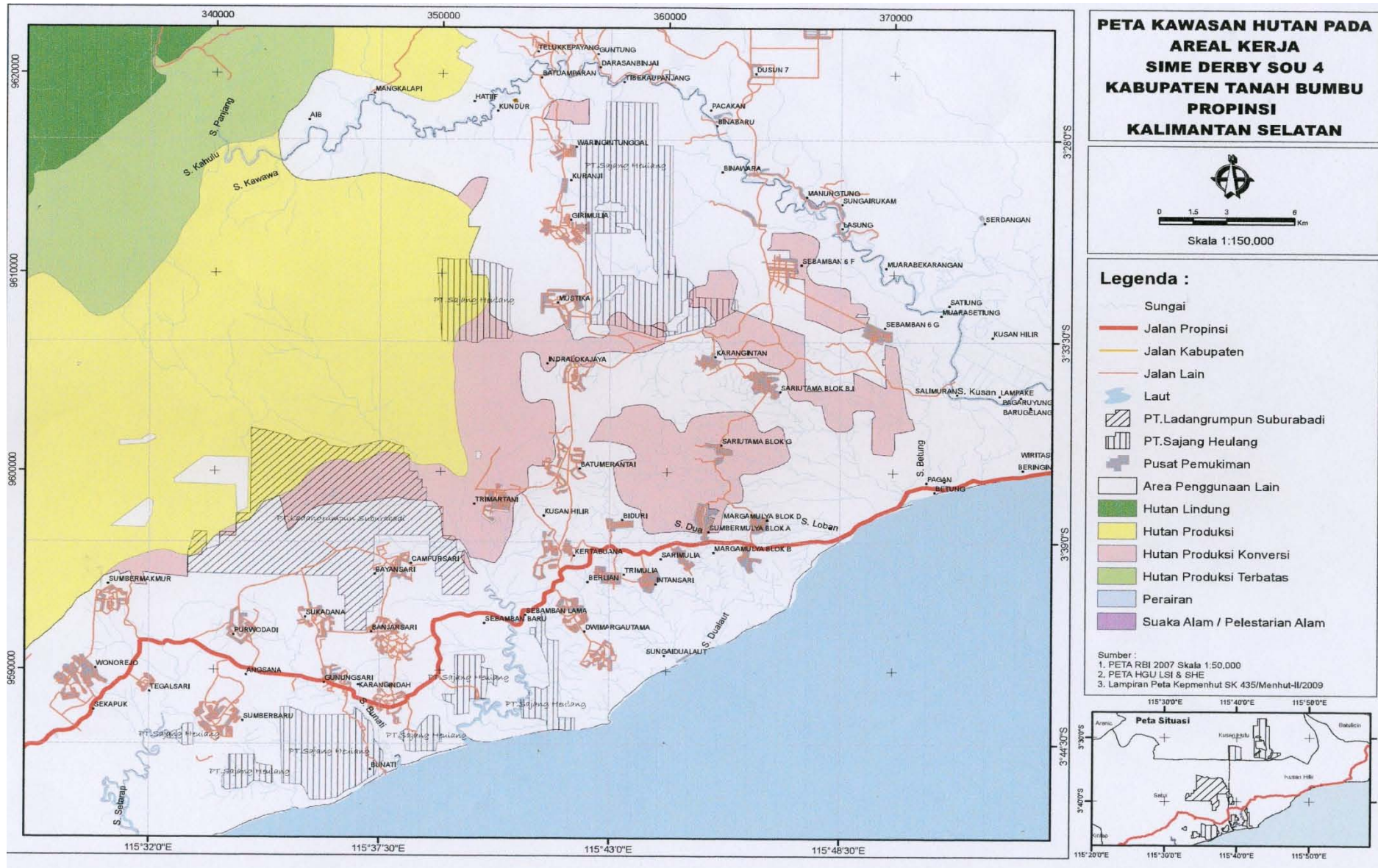


Figure 3. Maps of Forest Area in PT Ladangrumpun Suburabadi and PT Sajang Heulang



<b>1.0</b>	<b>SCOPE OF THE CERTIFICATION ASSESSMENT</b>	
<b>1.1</b>	<b>National Interpretation used</b>	National Interpretation, RSPO Principles and Criteria for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008.
<b>1.2</b>	<b>Organization Information</b>	
1.2.1	Company name	<b>Minamas Plantation - SIME DARBY Group</b>
1.2.2	Contact person	Mohamad Pirabaharan
1.2.3	Company address	The Plaza Lt. 36 JI MH Thamrin Kav. 28-30 Jakarta 10350
1.2.4	Tel	+62-21-2992650
1.2.5	Fax	+62-21-5711652
1.2.6	E-mail	<a href="mailto:mohamad.pirabaharan@simedarby.com">mohamad.pirabaharan@simedarby.com</a>
1.2.7	Web page address	<a href="http://www.simedarby.com">www.simedarby.com</a>
1.2.8	Type of enterprise	Private
1.2.9	Application information completed by duly authorized representative	Mohamad Pirabaharan (Head of TQEM Plantation)
1.2.10	RSPO member registration	8 September 2004
1.2.11	Number of workers – Employees	1,952 people* <i>*) Total of all (PT LSI dan PT SHE)</i>
<b>1.3</b>	<b>Type of assessment</b>	
1.3.1	Certification scope	Mill and Estates
1.3.2	Type of certificate	Single
1.3.3	Name of the companies covered by the certificate	<b>PT Ladangrumpun Suburabadi</b> <b>PT Sajang Heulang</b>
1.3.4	Number of management units	
	Number of the estate(s)	FFB sources are 4 (four) estate units, namely: Gunung Sari Estate (GSE), Angsana Estate (ASE), Pantai Bonati Estate (PBE), and Mustika Estate (MTE).
	Number of the Mill(s)	2 (two) Mill units, namely: Factory Angsana and Factory Angsana Mini
<b>1.4</b>	<b>Location, mill and hectare statements</b>	
1.4.1	Location of plantations	
	<b>LSI</b>	<b>SHE</b>
	3° 41' 27" - 3° 35' 39" S	3° 46' 05" - 3° 28' 07" S
	115° 33' 34" - 115° 39' 46" E	115° 32' 23" - 115° 46' 15" E

1.4.2	Location of Mill		
	<b>LSI</b>	<b>SHE</b>	
	3° 36' 40" S	3° 40' 22" S	
	115° 36' 39" E	115° 37' 15" E	
1.4.3	Maps	<i>Figure 1</i>	
1.4.4	Country	Indonesia	
1.4.5	Region	Southeast Asia	
1.4.6	Sub district/District/Province		
	<b>LSI</b>	Satui/Tanah Bumbu/South kalimantan	
	<b>SHE</b>	Tanah Bumbu/South kalimantan	
1.4.7	Tenure		
	Private	- ha	
	State		
	<b>LSI</b>	6,077 ha <sup>*)</sup>	
	<b>SHE</b>	7,794 ha <sup>**)</sup>	
	Community	- ha	
	<b>Total</b>	<b>13,871 ha</b>	
	Notes :	<p>*Based on certificates: HGU No. 19/Kotabaru; HGU No.43/Kotabaru; HGU No. 44/Kotabaru; And HGU No. 45/Kotabaru.</p> <p>** Based on certificates: HGU No. 26/Kotabaru; HGU No. 27/Kotabaru; HGU No. 28/Kotabaru; HGU No. 34/Kotabaru; and HGU No. 35/Kotabaru</p>	
<b>1.5</b>	<b>Description of Supply Base</b>		
		<b>LSI (ha)</b>	<b>SHE (ha)</b>
1.5.1	Total area	6,077	7,794
1.5.2	Mature area	5,077	5,873
1.5.3	Immature area	527	637
1.5.4(a)	Other land used	473	1,284
		<i>*Based on Area Statement of PT LSI and PT SHE</i>	
1.5.4(b)	Other supply base (exclude nucleus estate or 1.5.4(a))	5 smallholders (note: it will be verified on next surveillance for being certifiable)	
1.5.5	Product categories	Fresh Fruit Bunches (FFB)	
1.5.6	Annual Yield - Average (2005-2010)		
	<b>Description</b>	<b>LSI (ton/ha/year)</b>	<b>SHE (ton/ha/year)</b>
	Annual yield-average 2005-2010	24.15	23.63
	Angsana Estate (ASE)	23.46	
	Gunung Sari Estate (GSE)	24.84	
	Pantai Bonati Estate (PBE)		24.24
	Mustika Estate (MTE)		23.02
1.5.7	Annual yield-actual <sup>*)</sup>	23.46	21.16
	Angsana Estate (ASE)	23.05	
	Gunung Sari Estate (GSE)	23.87	
	Pantai Bonati Estate (PBE)		24.22
	Mustika Estate (MTE)		18.10
		<sup>*) Source : Data July 2009-Juni 2010</sup>	



<b>1.6</b>	<b>Date of Planting and Cycle</b>																																											
1.6.1	Age profile of planted palms*																																											
	<b>Ladangrumpun Suburabadi (LSI)</b>																																											
	<table border="1"> <thead> <tr> <th>Planting Year</th> <th>Hectares</th> <th>Year</th> </tr> </thead> <tbody> <tr> <td>1995</td> <td>551</td> <td>15</td> </tr> <tr> <td>1996</td> <td>1,540</td> <td>14</td> </tr> <tr> <td>1998</td> <td>2,715</td> <td>12</td> </tr> <tr> <td>1999</td> <td>187</td> <td>11</td> </tr> <tr> <td>2000</td> <td>84</td> <td>10</td> </tr> <tr> <td>2006</td> <td>308</td> <td>4</td> </tr> <tr> <td>2007</td> <td>182</td> <td>3</td> </tr> <tr> <td>2008</td> <td>37</td> <td>2</td> </tr> <tr> <td><b>Total</b></td> <td>5,604</td> <td></td> </tr> <tr> <td></td> <td>average year</td> <td>12</td> </tr> </tbody> </table>	Planting Year	Hectares	Year	1995	551	15	1996	1,540	14	1998	2,715	12	1999	187	11	2000	84	10	2006	308	4	2007	182	3	2008	37	2	<b>Total</b>	5,604			average year	12										
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1.6.3	New planting area after November 2005 – extension																																											
	<b>LSI</b>	527 ha																																										
	<b>SHE</b>	637 Ha																																										
1.6.4	Cycle	7-10 days**																																										
<b>1.7</b>	<b>Approximate tonnage certified</b>																																											
	<b>Description</b>	<b>LSI</b>	<b>SHE</b>																																									
	CPO production recovery (%)	24	24																																									
	PK production recovery (%)	4.85	4.5																																									
	FFB (tonnes per year)	122,634	138,806																																									
	Crude Palm Oil (tonnes per year)	29,432	33,314																																									
	Palm Kernel (tonnes per year)	5,948	6,246																																									



<b>1.8</b>	<b>Other Certification</b>	
1.8.1	ISO 9001:2008/ISO 14001: 2004	None
1.8.2	OHSAS 18001:2007	None
1.8.3	HACCP	None
1.8.4	Others	None
<b>1.9</b>	<b>Time Bound Plan for Other Management Units</b>	
1.9.1	Time bound plan for other Management Units from Sime Darby Plantation Sdn Bhd	
	Sime Darby Plantation Sdn Bhd has committed to make time bound plan for all the other management units in implementing the P&C standard or to gain the RSPO certificate. The Assessor team has put this plan into consideration in accordance to the RSPO Certification System Document - June 2007 for Partial Certification. The development and follow up of the plan will be verified and reported in the routine annual visits.	
	<b>SIME DARBY PLANTATION RSPO Certification Status (as per 25 November 2010)</b>	<b>Number of strategic operating units (SOUs)</b>
		Malaysia      Indonesia
	Certified	16      3
	EB Review	3      -
	2009/2010 (Audit)	20      7
	2009/2010 (planned)	0      3
	2010/2011	9      10
	<b>Total</b>	<b>39      23</b>
	The RSPO Certification will be received within one month's time.	
	All Malaysian SOUs have undergone the RSPO External Audit.	
	10 SOU's in Indonesian under planning	
1.9.2	Area of plantation managed by SIME DARBY Plantations	
	<b>Management Unit Name</b>	<b>Address</b>
		<b>Area (Ha)</b>
	PT. Indotruba Tengah	District of Seruyan and Kotawaringin Barat - Central kalimantan
	PT. Tunggal Mitra Plantations	District of Rokan Hilir – Riau
	PT. Sime Indo Agro	District of Sanggau - West kalimantan
	PT. Aneka Inti Persada	District City State of Pekanbaru and Siak – Riau
	PT. Bina Sains Cemerlang	District of Musi Rawas - South Sumatera
	PT. Kridatama Lancar	District of Seruyan dan Kotawaringin Timur - Central kalimantan
	PT. Teguh Sempurna	District of Seruyan dan Kotawaringin Timur - Central kalimantan
	PT. Lahan Tani Sakti	District of Rokan Hilir – Riau
		7,734.60
		13,836.00
		11,652.00
		11,134.00
		6,513.00
		14,779.92
		16,601.66
		3,759.02

PT. Bhumireksa Nusa Sejati	District of Indra Giri Hilir – Riau	25,662.00
PT. Sajang Heulang	District of Tanah Bumbu - South Kalimantan	7,794.00
PT. Bersama Sejahtera Sakti	District of Kotabaru - South kalimantan	12,704.54
PT. Bahari Gembira Ria	District of Muaro Jambi - Jambi	1,202.04
PT. Langgeng Muaramakmur	District of Kotabaru - South kalimantan	16,361.77
PT. Paripurna Swakarsa	District of Kotabaru - South kalimantan	14,892.00
PT. Swadaya Andika	District of Kotabaru - South kalimantan	10,361.18
PT. Laguna Mandiri	District of Kotabaru - South kalimantan	15,299.80
PT. Tamaco Graha krida	District of Morowali - Central Sulawesi	4,145.00
PT. Sandika Natapalma	District of Ketapang - West Kalimantan	8,406,21
PT. Mitra Austral Sejahtera	District of Sanggau - West Kalimantan	8,741.29
PT. Padang Palma Permai	District of Aceh Tamiang and East Aceh - Nangroe Aceh Darussalam	6,451.99
PT. Perusahaan Sri Kuala	District of Aceh Tamiang - Nangroe Aceh Darussalam	1,128.90
PT. Guthrie Pecconina Indonesia	District of Musi Banyuasin - South Sumatera	10,139.91

1.9.3 Time Bound Plan For SIME DARBY Plantation Sdn Bhd area in Indonesia

<b>Management Unit Name</b>	<b>Time Bound Plan</b>	<b>Actual Status</b>
PT. Indotruba Tengah	2009	Certification Received
PT. Tunggal Mitra Plantations	2009	Certification Received
PT. Sime Indo Agro	2009	Certification Received
PT. Aneka Inti Persada	2010	Completed
PT. Bina Sains Cemerlang	2010	Completed
PT. Kridatama Lancar	2010	Completed
PT. Teguh Sempurna	2010	Completed
PT. Lahan Tani Sakti	2010	Completed
PT. Bhumireksa Nusa Sejati	2010	Completed
PT. Ladangrumpun Suburabadi	2010	Completed
PT. Sajang Heulang	2010	Completed
PT. Bersama Sejahtera Sakti	2010	Completed
PT. Bahari Gembira Ria	2010	Completed
PT. Langgeng Muaramakmur	2011	Completed
PT. Paripurna Swakarsa	2011	Completed
PT. Swadaya Andika	2011	Completed
PT. Laguna Mandiri	2011	Completed
PT. Tamaco Graha Krida	2011	Next audit
PT. Sandika Natapalma	2011	Auditing (29 <sup>th</sup> June- 8 <sup>th</sup> July 2011)
PT. Mitra Austral Sejahtera	2011	Auditing
PT. Padang Palma Permai	2011	Completed
PT. Perusahaan Sri Kuala	2011	Completed
PT. Guthrie Pecconina Indonesia	2011	Next audit (20 <sup>th</sup> June- 26 <sup>th</sup> June 2011)

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Certification Body</b>
	PT Mutuagung Lestari
	Jl. Raya Bogor Km 33,5 No. 19 Cimanggis - Depok 16953
	Telp. +62-21-8740202
	Fax +62-21-87740745/46
	Website: <a href="http://www.mutucertification.com">www.mutucertification.com</a>
	Email : <a href="mailto:agri@mutucertification.com">agri@mutucertification.com</a>
<b>2.2</b>	<b>Lead Assessor and Assessor Team</b>
<b>2.2.1</b>	Assessment Team
<b>PA</b>	The assessment team consisted of:
	<b>1) Deni A. Novendi (Lead Assessor).</b> Bachelor's Degree in Forestry, Conservation of Natural Resources Major. Specialist in Social and Ecology. He was involved in the sosio-economics study of Citanduy - Cisanggarung riparian community in Ciamis District - West Java; has 13 years of experience in Forest Planning and Conservation in the Forest Business Rights of Indonesia. Since 2003, he has worked for an independent certification body as an Assessor for Conserved Forest Management Certification System (FSC and LEI); Chain of Custody, ISO 9001; and RSPO. He has done a number of audits for each certification system. In this pre-assessment, he assessed the legal, social and environmental aspects.
	<b>2) Aryo Gustomo (Assessor).</b> Bachelor's Degree in Agriculture, Agronomics Major. Specialist in Oil Palm Plantations. He had worked in a oil palm seed production company as a Plant Breeder/Agronomist. He also had worked as a Field Assistant in one of the palm plantations company in Indonesia. He is presently working for an independent certification body as an Assessor. Trainings he had taken are Lead Assessor 14001, Identification and Management of HCV Area, Awareness ISO 9001, and RSPO Lead Assessor. He has done a number of assessments for ISO 9001 certification as an expert and for RSPO certification as an Assessor. In this pre-assessment, he assessed the agronomical practice and environmental aspects.
<b>MA</b>	<b>The assessment team consisted of:</b>
	<b>1) Deni A. Novendi (Lead Assessor).</b> Bachelor's Degree in Forestry, Conservation of Natural Resources Major. Specialist in Social and Ecology. He was involved in the sosio-economics study of Citanduy - Cisanggarung riparian community in Ciamis District - West Java; has 13 years of experience in Forest Planning and Conservation in the Forest Business Rights of Indonesia. Since 2003, he has worked for an independent certification body as an Assessor for Conserved Forest Management Certification System (FSC and LEI); Chain of Custody, ISO 9001; and RSPO. He has done a number of audits for each certification system. In this main assessment, he assessed the labor, land acquisition, and environmental aspects.

	<b>2) Heri Satono (Assessor)</b> ; Bachelor's Degree in Forestry, Forest Management and Planning at Lambungmangkurat University. Specialist in Environment and Area Legality. He also masters GIS (Geographic Information System), and is involved in numerous forestry cooperation activities between the Indonesian government and ITTO. He had worked as Expert Assistant for Forestry Economics and Industry at the European Commission- Indonesia. In this main assessment, he assessed the environmental and legality aspects.
	<b>3) Muardi Marwas (Assessor)</b> . Bachelor's Degree in Agriculture, Agronomics and Horticulture Major. He was numerously involved in RSPO audits in Indonesia. He is currently working in an independent certification body. In this main assessment, he assessed the best practices, Occupational Health and Safety (OHS) and labor aspects.
	<b>4) Ibnu Satria Prabudi (Observer)</b> . Bachelor's Degree in Agriculture, Agro technology Major. He is currently working in an independent Certification Body
	Team members' CV's are held on file at the PT Mutuagung Lestari office.
<b>2.3</b>	<b>Assessment Methodology, Progress and Field Visit</b>
<b>2.3.1</b>	<b>Assessment dates</b>
<b>PA</b>	03 - 08 May 2010
<b>MA</b>	04 - 09 October 2010
<b>2.3.2</b>	<b>Estimate of person days to implement assessment</b>
<b>PA</b>	10 person days
<b>MA</b>	20 person days
2.3.3	Rationale for approach to assessment
<b>PA</b>	Pre-assessment is done to gauge the current level of company performance that fulfills the RSPO principles and criteria, before going into the main assessment.
	Assessment is done by gauging the level of implementation done by SOU 4 (PT LSI and PT SHE) to comply with the requirements of National Interpretation of Indonesia for the Roundtable on Sustainable Palm Oil Principles and Criteria (RSPO INA-NIWG, May 2008). The assessment is done with three methods: <b>Method I</b> is the document study, to assess the adequacy of document types and the substance of the required documents; <b>Method II</b> is the interview, to assess a more detailed information and to cross check the document information; and <b>Method III</b> is the field observation, to assess the sufficiency of the actual implementations at the field.
	A number of improvement suggestions from the results of pre-assessment were given by the MAL Assessors to the SOU 4 management; the improvement results would be taken as verification for the main assessment.  All the information given is noted in the Check List of PT Mutuagung Lestari, which is the main appendix of the Assessment Report. The assessment process went as follows:
	<b>03 May 2010.</b> In the morning, the team went to the site. In the afternoon, the opening meeting was held in the Angsana State Sports Center, attended by the General Manager Area Sembaban (Mr. Masziwa Bahrum), Angsana Estate Manager (Mr. Puji Sasmito), Gunung Sari Estate Manager (Mr. Iwan Dharmansyah), POM Angsana Manager (Mr. Eko Setijono), Research Staff (Mr. Subiyantono), Mustika Estate Manager (Mr. Dodik Prayitno), Pantai Bonati Estate Manager (Mr. Jimmy S. Sihombing), and a number of staff representing their respective department.



	<p><b>04 May 2010.</b> Assessors focused the document assessment on the aspects of legality, environmental management documentation, social management documentation, and plantation practice documentation. Assessors were divided into two teams based on the assessment aspects, as follows:</p>
	<p><b>Deni A. Novendi</b> - studied the documents for communication process, land acquisition and conflict management; regional security; employment and waging; CSR (Corporate Social Responsibility) implementation; and community complaint management.</p> <p><b>Aryo Gustomo</b> - studied the documents for long term company plans; regional design and implementation; soil and water conservation; maintenance and improvement practice of soil fertility; usage and management of chemical materials; Hazardous waste treatment; and OHS implementation.</p>
	<p><b>05 Mei 2010.</b> Assessors continued the document study.</p>
	<p><b>06 Mei 2010.</b> Assessors performed the field observation, dividing the assessment focus as follows:</p>
	<p><b>Deni A. Novendi</b> - Performed the observation and interview on land application and liquid waste management, Occupational Health and Safety (OHS) implementation in the plantations and mills, forest fire control system, HCV area management, water quality management, hazardous waste treatment, and the plasma scheme implementation.</p> <p><b>Aryo Gustomo</b> - Performed the observation and interview on the implementation of integrated pest management, fertilizing, soil fertility management, Occupational Health and Safety (OHS) implementation in the crucial activities (harvesting, weed controlling, and production process at the mill).</p>
	<p><b>07 May 2010.</b> Closing meeting was done in the Angsana Sports Center, attended by the Head of TOEM, Manajer TOEM Area Kalimantan, Sembaban Area General Manager, Angsana Estate Manager, Gunung Sari Estate Manager, Angsana POM Manager, Research Staff, Mustika Estate Manager, Pantai Bonati Estate Manager, and a number of staff representing their respective department.</p>
	<p><b>08 May 2010.</b> The team went back to Jakarta.</p>
<b>MA</b>	
	<p>The main assessment, aside from involving company personnel, also involved a number of related parties, such as: community figures, local government of Village and Sub-District levels, District and Province level government, and the workers' union element.</p>
	<p>Assessment is done by gauging the level of implementation done by management (SOU 4) to comply with the requirements of National Interpretation of Indonesia for the Roundtable on Sustainable Palm Oil Principles and Criteria (RSPO INA-NIWG, May 2008). The assessment is done with three methods, namely: (1) is the document study, to assess the sufficiency of document types and the substance of the required documents; (2) is the interview, to assess more detailed information on objects or assessment focus. To widen variation of information, public consultation is done where Assessors meet the related parties collectively; and (3) is the field observation, to assess the sufficiency of the actual implementations at the field. All the information given is noted in the Check List of PT Mutuagung Lestari, which is the main appendix of the Assessment Report. The findings of assessors from the main assessment activities are given to the SOU 4 management to follow up the findings referring to the valid RSPO Principles and Criteria. The assessment process went as follows:</p>

	<p><b>04 October 2010.</b> The team arrived on the location in the afternoon. Immediately after their arrival, the opening meeting was held in the Angsana State Sports Center, attended by the General Manager Area Sembaban (Mr. Masziwa Bahrum), Angsana Estate Manager (Mr. Puji Sasmito), Gunung Sari Estate Manager (Mr. Iwan Dharmansyah), Angsana POM Manager (Mr. Eko Setijono), Research Staff (Mr. Subiyantono), Mustika Estate Manager (Mr. Dodik Prayitno), Pantai Bonati Estate Manager (Mr. Jimmy S. Sihombing), and a number of staff representing their respective department.</p>
	<p><b>05 October 2010.</b> From the morning to noon, Assessors performed the public consultation by inviting various stakeholders. The public consultation was done in two different places simultaneously, namely: Location I at Ebony Batulicin Hotel - for stakeholders from the province and district level, while Location II at Angsana Estate Sports Center for stakeholders from the village and sub-district levels.</p> <p>From noon to the afternoon, Assessors studied the documents, dividing the assessment focus as follows:</p>
	<p><b>Deni A. Novendi</b> - assessed on the land conflict management, communication methods, legality, social impact management, hazardous waste treatment, soil and water conservation, and employment.</p> <p><b>Heri Satono</b> - assessed on the work area legality, environmental impact management, HCV area management, liquid waste treatment, and Occupational Health and Safety (OHS) implementation.</p> <p><b>Muardi and Ibnu</b> - assessed on the long term planning, integrated pest management, soil fertility maintenance, chemical usage and treatment.</p>
	<p><b>06 October 2010.</b> Assessors continued the document studies according to their respective fields. In the afternoon, the team determined the site to observe and the site observation was carried out. The resulting plan was informed to the SOU 4 management for travel routing.</p>
	<p><b>07 October 2010.</b> The team carried out the site observation with the points determined by the Assessors and confirmed by the management (SOU 4). In the afternoon and the evening, Assessors perfected and completed the checklist with the findings of the site observation. Afterwards, the Assessors summarized the findings to be delivered in the closing meeting.</p>
	<p><b>08 October 2010.</b> In the morning to noon, Assessors continued summarizing the findings and re-confirming the findings with the SOU 4 management.</p> <p>Closing meeting was done in the afternoon, taking place at the Angsana Sports Center, attended by the Head of TQEM, Manager TQEM Area Kalimantan, Sembaban Area General Manager, Angsana Estate Manager, Gunung Sari Estate Manager, Angsana POM Manager, Research Staff, Mustika Estate Manager, Pantai Bonati Estate Manager, and a number of staff representing their respective department.</p> <p>The Assessor team traveled from the location to Banjarmasin.</p>
	<p><b>09 October 2010.</b> The team went back to Jakarta</p>
<b>2.3.4</b>	<b>Assessment Sample Location</b>
<b>PA</b>	
	<b>Location 1 - Block A35, Sembaban River, LSI.</b> Riparian management observation.
	<b>Location 2 - Block A33, LSI.</b> Observation and interview with the fertilizing workers.
	<b>Location 3 - Block C15, LSI.</b> Observation and interview with the spraying workers on the appropriate spraying procedures.

	<b>Location 4 - Central Polyclinic.</b> Interview with the clinic attendants on the employees' medical check and the clinic waste treatment.
	<b>Location 5 - Temporary Warehouse of hazardous Waste, LSI.</b> Hazardous waste treatment and hazardous waste storage procedures observation.
	<b>Location 6 - Block F25, LSI.</b> Observation and interview with the harvesting workers on wages and personal protection equipment usage.
	<b>Location 7 - Block I21, LSI.</b> Boundary pole which are next to community owned land observation.
	<b>Location 8 - Mill (Angsana POM), LSI.</b> Observation on FFB receiving procedures and FFB processing, Occupational Health and Safety (OHS) implementation, and mill liquid waste treatment.
	<b>Location 9 - Central Warehouse Bonati Estate, SHE -</b> Occupational Health and Safety (OHS) implementation, and dangerous chemicals storage observation.
	<b>Location 10 - Traction workshop) and Diesel Fuel Tank Bonati Estate, SHE -</b> Occupational Health and Safety (OHS) implementation (fire fighting equipment inspection) observation.
	<b>Location 11 - Block P23 Bonati Estate, SHE -</b> Occupational Health and Safety (OHS) implementation for the harvesting workers observation.
	<b>Location 12 - Pantai Bonati, SHE -</b> Observation on beach conservation area managed as a tourist attraction site by LSI, and on the area management and inorganic waste.
	<b>Location 13 - KUD Tuwuh Sari -</b> Interview with Mr. Wayan (KUD Chief) on the raw material (FFB) supply cooperation.
	<b>Location 14 - Mini Mill Sajang Heulang, SHE -</b> Observation on the chemical treatment, Occupational Health and Safety (OHS) implementation, and liquid waste treatment.
	<b>Location 15 - Block G33 Mustika Estate, SHE -</b> Area management stated as HCV 1 and 4, HCV information board installation, treatment, and boundary pole.
	<b>Location 16 - Block C38 Mustika Estate, SHE -</b> Management of HCV 4 area, which is the swamps area used by the community to fish.
	<b>Location 17 - Generator Room Mustika Estate, SHE -</b> Observation on Occupational Health and Safety (OHS) implementation, and diesel fuel storage.
<b>MA</b>	
	<b>Location 1 – Central Warehouse Angsana -</b> Observation on hazardous waste storage and Occupational Health and Safety (OHS) implementation.
	<b>Location 2 - Angsana POM (LSI) and Angsana Mini POM (SHE) -</b> Observation and interview on hazardous waste treatment and mill waste.
	<b>Location 3 - Block B36, B35, A28, D25, D21 (LSI) -</b> Observation on the buffer zone management in forms of markings, boundary poles, enrichment planting, and protection for water from chemicals applications.
	<b>Location 4 - Block A17 and B22 (LSI) -</b> Observation on the land erosion rate.
	<b>Location 5 - Sebambam River 1, LSI -</b> Observation on riparian managed as HCV 4.1 area and the efforts of maintaining river water quality.

	<b>Location 6 - Gunung Sari Estate Housing</b> - Interview with Mr. Rahmadi (31 years old, harvesting worker) on the bases of waging system, PPE utilization, and Occupational Health and Safety (OHS) implementation.
	<b>Location 7 - Desa Kepayang</b> - Interview with Bangkarang Village Chief, Tiberau Panjang Village Chief, and Kepayang Village Chief on the issue of land conflict between the community and company (mining areas).
	<b>Location 8 - Clinic</b> - Observation and interview with the clinic attendant on the clinic waste treatment, regular medical check up for employees, and the implementation of no spraying and fertilizing work for pregnant and breastfeeding women.
	<b>Location 9 - BSS House</b> - Observation and interview with Mr. Ali on the Occupational Health and Safety (OHS) implementation and agrochemical waste treatment.
	<b>Location 10 - Divisi III Housing, LSI</b> - Interview with Ms. Susmiyati (40 years old, poison dissolving worker), Sariam (37 years old, spraying worker) and Mr. Ahmad Farid (25 years old, spraying foreman) on the waging system, implementation of no spraying in the buffer area zone, PPE utilization, Occupational Health and Safety (OHS) implementation, and regular medical check ups.
<b>2.4</b>	<b>Stakeholder Consultation and List of Stakeholders Contacted</b>
2.4.1	Summary of stakeholder consultation process
	There were 47 parties contacted via written invitation (dated 17 September 2010) to give inputs in the public consultation. The public consultation was done in two different places simultaneously, namely: Location I at Ebony Batulicin Hotel - attended by 12 stakeholders from the province and district level, while Location II at Angsana Estate Sports Center attended by 13 stakeholders from the village and sub-district levels.
2.4.2	List of stakeholder contacted
	<i>See Annex 2</i>
2.4.3	Summary of main issues raised by stakeholders and PT Mutuagung Lestari Follow-up
2.4.3.1	<i>Positive Issues</i>
	A number of positive issues raised by the stakeholder were related with the work performance of PT LSI and PT SHE, which consisted of the following: (1) helping regional government in providing employment for the surrounding community; (2) implement good production practices.
2.4.3.2	<i>Negative Issues</i>
	A number of negative issues raised by the stakeholder were related with the work performance of PT LSI and PT SHE had a number of negative issues, as follows: (1) CSR program did not prioritize the community's need; (2) The company had not given consistent reporting to the authorized agencies; (3) There were cases of land ownership (within the HGU area) by third parties with unclear status; (4) has not revised the ANDAL document; (5) the communication and coordination pattern which were not adequate between the company and the surrounding community.
<b>2.5</b>	<b>Date of Next Surveillance</b>
	The next surveillance will be determined after this report is reviewed by the RSPO Secretariat or within a year after the RSPO certificate is published.



### 3.0. ASSESSMENT FINDING

#### 3.1. Summary of Non Conformance, Correction Action Required, and Observation

No.	Ref Std	Non Conformance	Grade	Correction Action required	Time Limits	Date and Observation	Status	Closing Date
2010.01	1.1; 1.2; 6.2.1; 6.2.3; 6.3.1; 6.3.2;	<b>Mechanism to receive and respond to requests for information / complaints</b> - Mechanism to respond to requests for information and complaints from stakeholders have been arranged well in SOP Reception Information (AI No. 0900) and CEO Memorandum No. M-024/CEO/V/2008. However, these procedures do not include: (1) a careful determination of the type of information / documents can not be published, (2) specify a period of submission of responses, and (3) set the record store the request and response information / complaint.	NC	The company should review the procedures for information / complaint (AI 0900 and M-024/CEO/V/2008) to ensure the provision of immediate response, and to socialize the changes to stakeholders.	Before Main Assessment	The company has revised procedures No. AI 0900 dated April 1, 2010. Section VI which states the Time Submission for Information is 1 (one) week if they do not need the approval of Department Head and 1 (one) month when require the approval of Department Head; the type of documents can be given to other parties (17 types of documents) and the documents storage specified for a period of 5 (five) years.	Closed CFA-2010.38 published	8/10/2010

2010.02	2.1	<p><b>Evaluation of the implementation of legal and regulatory requirements compliance</b></p> <p>- There is a Matrix of law compliance evaluation, but it did not yet cover the entire essential operational regulations related to oil palm plantations and palm oil mills. For example: articles related to wages, freedom of speech, etc. according to Act 13 2003; Head Bapedal Decision Kep-01/Bapedal/09/1995 and Kep-05/Bapedal/09/1995; Presidential Decree 32 of 1990; Government Regulation 150 of 2000; etc.</p>	NC	LSI & SHE have to update the Matrix of Law Compliance Evaluation related to oil palm plantations and palm oil mills operations so that it includes all ratified regulations, both national, regional, local, and international conventions (CITES, ILO No. 184, 87 and 1998; etc.).	Before Assessment	The company has presented Regulatory Compliance and Legislation matrix, covering 49 types of regulations, including Act 13 of 2003 and the ILO; management of Hazardous materials and waste according to Chief of Bapedal Decision Kep-01/Bapedal/09/1995 and Kep-05/Bapedal/09/1995; management of protected species and conservation areas referring to Presidential Decree 32 of 1990, Act 32 of 2009, and CITES; erosion and sedimentation control in accordance to Government Regulation 150 of 2000.	Closed	8/10/2010
2010.04	2.2.3; 2.3	<p><b>Conflict Settlement Evidence</b> - Conflict settlement evidence was provided on site, yet there were no records of them to be presented.</p>	CFA	It is advised to create records of land conflict settlement which give clear inform of the claimant, the land area, land location, and current status (is, are, or will be resolved).	Before Assessment	The organization has provided records of land conflict settlement which give clear inform of the claimant, the land area, land location, and current status (is, are, or will be resolved).	Closed, NCR-2010.39 published	8/10/2010

2010. 05	2.2.4 2.2.5; 6.3.3; 6.4 7.6	<b>Conflict settlement procedures</b> - The company was not able to present the conflict settlement procedures.	NC	The company should provide, socialize, and implement procedures for conflict resolution that include the identification and mapping of conflicted land, and the calculation of the compensation for loss of legal rights fairly involving parties/agencies.	Before Assessment	The company has Claims Handling Procedures No.02/PSD/09 dated 12 June 2009, covering the identification activities by the Land Committee, the claim map examination, and the negotiation process (settlement).	Closed	8/10/2010
2010. 06	2.3	<b>Traditional ownership rights</b> - The Company has a social impact assessment document that includes information on social and cultural conditions of local community surrounding the plantation and palm oil mill. It is not yet enough to ensure the status of the existence of land traditional rights.	CFA	It is advised to ensure the status of the existence of traditional rights of ownership in the work area, through coordination with relevant agencies referring to the regulations.	Before Assessment	The organization has shown BPN Tanah Bumbu Letter No. 000/175/KP.12 regarding Indigenous Rights / Communal Land Status, which states that there is no customary rights land status but there is the possibility of inherited personal ownership.	Closed	8/10/2010

2010.07	4.1.2	<b>Mill SOP Validation</b> - Organization has a factory activities SOP which includes: Operational Administrative Procedures, Mill Technical Guide Volume I and Volume II. But there is no validation from relevant officials.	CFA	It is advised for the relevant officials to validate the SOP documents.	Before Assessment	Mill SOP was approved on the basis of the Memorandum of Head Plantation Operation Number POD-UM-154/VII/2010 dated July 26, 2010 regarding: Determination of Palm Oil Mill Technical Guidelines, Policy No. 110, 120, 130/POD-FAC/07.	Closed	8/10/2010
2010.08	4.2 4.3 7.2 7.4	<b>Soil fertility maintenance and soil degradation control practices</b> - The Company has made efforts to maintain soil fertility and to control soil degradation using fertilizing, JJK and effluent applications, making silt pit. However, there had been no affectivity evaluation.	NC	The organization should evaluate the effectiveness of soil fertility maintenance and soil degradation control practices that have been done. For example through regular soil analysis and erosion monitoring.	Before Assessment	The organization has shown the results of affectivity evaluation of the soil fertility maintenance practices in the form of monthly FFB Production History.	Closed	8/10/2010
2010.09	4.4.1	<b>Protection of waterways and wetlands</b> - The organization has identified the presence of water flow, wetlands, and rivers. But there is no area protection plan based on the HCV identification and regulations.	NC	The organization must make the protection plan on area waterways, wetlands, and river border based on the HCV identification and regulations.	Before Assessment	Organization (SHE) has presented the waterways management programs in the form of management program HCV 1.1 - Regions supporting biodiversity; HCV 1.4 - Temporary habitat for species; HCV 4.1 - Regions providing water and flood control.	Closed	8/10/2010



2010. 11	4.4.4	<b>Records of water usage monitoring</b> - Organization has been monitoring the mill water usage in the form of the document Summary of Water Use in the mill, April 2010. The monitoring the mills water usage per ton FFB was not yet available.	CFA	The organization is advised to monitor mill water usage per ton FFB.	Before Assessment	Organization (SHE) has shown records of mill water usage monitoring for in the form of monthly Water Usage Summary (January - September 2010), which informs the FFB process (ton), water consumption (m3), and average water usage per ton FFB.	Closed	8/10/2010
2010. 12	4.5	<b>IPM Program</b> - The organization has documented and implemented integrated pest management with a combination of biological and chemical pest control, for example: <i>Setora nitens</i> pest control programs Mustika Estate and monitoring records of barn owl development, Division 1, Mustika Estate. But there is no available evidence of 1) IPM program that describes the type and details of the activities to be performed; 2) Some monitoring records, for example: caterpillar census, rat census, monitoring beneficial plants cultivation; 3) Records of pesticide toxicity monitoring.	NC	The organization is advised to develop IPM program that explains in detail the types of activities conducted; to document records of IPM monitoring, and to monitor pesticide toxicity.	Before Assessment	The organization already has a pest and disease control programs 2010-2011 covering the census activities, the planting of beneficial plants, making nest box (bowl Owl box).	Closed	8/10/2010

2010. 13	4.6.2	<b>Records of pesticide use</b> - There are records of pesticide use, for example: weed eradication program Mustika Estate, Chemist Poles Maintenance Mustika Estate, and Chemist Disc and Pioneer Maintenance Mustika Estate. But the realization of the program that covers pesticides usage, including the active ingredient used, the applied area, the amount used per hectare, and the number of rotations, was not presented.	NC	The organization must be able to demonstrate the pesticide usage program realizations that include: active ingredients usage, the applied area, the amount used per hectare, and the number of rotations.	Before Assessment	The organization has been able to show the program and the realization of pesticide usage including the usage per hectare, annual rotation, the applied area, and toxicity per hectare.	Closed	8/10/2010
2010. 14	4.6.3	<b>Trained spraying worker</b> - There was no documented evidence of trained spraying workers at work.	CFA	The organization is advised to present documented evidence of trained spraying workers at work.	Before Assessment	The organization has shown evidence of proper pesticide use training in forms of certificate, training materials and presence list.	Closed	8/10/2010
2010. 15	4.6.3	<b>MSDS</b> - The organization already has MSDS documents for each chemical used, but there were a number of MSDS chemicals that are not available, for example: Prima Up and Metafuron; and there were MSDS documents using English, for example MSDS for Decis pesticide.	CFA	It is advised to provide MSDS for all the chemicals used with languages understandable for the workers.	Before Assessment	The organization (SHE) has presented and provided MSDS translated in Indonesian language, among them were: Prima-up and Metafuron.	Closed	8/10/2010

2010. 16	4.6.4; 5.3.3	<b>Agrochemical waste treatment</b> - There are procedures for pesticide packaging in the Hazardous and Non-Hazardous Waste Management SOP document (RSPO/5.3/PLB3 & BB3). However in the procedures, the procedure for pesticides packaging waste in accordance with applicable regulations was not yet explained.	CFA	Complete and revise the Hazardous waste treatment procedure so that it complies with the regulation (for example: Government Regulation No. 18 of 1999).	Before Assessment	The organization has revised Hazardous and Non-Hazardous Waste Management SOP (SOP/SHE-PBE/LK dated 15 May 2010), among others Clause V explaining: 5.1. Hazardous waste Storage (packaging, 90 days maximum storage duration, storage buildings, delivery to third parties); 5.2. How to reduce hazardous waste (reduce and recycle).	Closed CFA-2010.41 published	8/10/2010
2010. 18	4.7	<b>OHS Program</b> - Organization has developed a OHS program, but has not included the implementation plans for 1) periodical medical check up for workers, 2) emergency response simulation; 3) OHS training courses.	NC	Organizations must be able to provide OHS programs and consistently implement and document them.	Before Assessment	The organization has an OHS program that includes a schedule of simulated emergency response, OHS training, quarterly reporting, OHS meetings, and the periodic medical check up program.	Closed	8/10/2010
2010. 19	4.7.10	<b>Records of workplace accidents</b> - Organization has been conducting work accident monitoring, but evidence of periodic evaluation of the accident records was not yet available.	NC	The organization shall conduct a review / evaluation of workplace accidents records periodically.	Before Assessment	The company has provided records of results of regular (monthly) work accidents evaluation that includes information on place, name of victim, and cause of accident, and has performed actions to prevent similar incidents.	Closed NCR-2010.42 published	8/10/2010

2010. 20	4.8	<b>Continuous training program for staff and employees</b> - the Organization has a training program for staff and employees, but have yet to include training carried out internally.	CFA	The organization is advised to review the training programs that have been made to ensure all training needs have been planned.	Before Assessment	The organization has a training program for staff and employees in form of Identification of Training and Human Resource Training and Development Plan 2010-2011 Matrix. The matrix has included in house training program conducted by Minamas Training Center located in Sukamandang, Central Kalimantan.	Closed	8/10/2010
2010. 21	5.1; 6.1; 7.1.1; 8.1	<b>Environmental impact analysis document</b> - the Company could not present the revised Environmental impact analysis document in relation to the planned changes for LSI mill capacity of 45 tons FFB/hour to 60 tons FFB/hour.	NC	The company has to provide the revised RKL/RPL document, which includes changes in LIS mill capacity, and all components of the environment that will be preserved; and has to submit the periodical realization reports to relevant agencies.	Before Assessment	The organization has shown the results of the revised ANDAL document which was approved by the AMDAL Commission of Tanah Bumbu District No. 32 DUK No. 660/32/BAPEDALDA/10 dated 26 July 2010 including plantations and mill upgrade to 60 tons per hour POM.	Closed	8/10/2010

2010. 22	5.1; 6.1; 7.1.1; 8.1	<b>Environmental Impact Analysis Document</b> - The Company has shown RKL/RPL SHE document approved by the Central AMDAL Commission and had made regular reports to the period of its implementation until December 2009. However, the monitored impacts components in the RKL/RPL Implementation Report document has not completely referred to the RKL/RPL document approved.	NC	The company should review the report substance of RKL/RPL SHE Implementation and re-adjust it with the RKL/RPL approved. Components of impacts monitoring and management, should also include and consider the results of HCV Habitat Identification and the latest Social Impact Assessment.	Before Assessment	The organization has shown Report Draft on the RKL/RPL SHE implementation January - June 2010 period. Impact components monitored have referred to RKL/RPL which was approved by the Central AMDAL Commission on behalf of the Minister for Forestry Decision No. 154/Menhut-II/2000 (where there are 7 (seven), the impacts to be monitored).	Closed	8/10/2010
2010. 24	5.2.4	<b>Socialization of protected species existence</b> - SHE has installed a number of information boards and hunting ban for the protection of protected species and habitats HCV. However, to ensure the protection purposes, the information given should specifically detail the species and regulations that govern them.	CFA	SHE should review the information outlined in the NKT sign-board to specify protected species and regulations that govern them more clearly. And then, socialize them to all employees and the surrounding community.	Before Assessment	There is evidence that the company (SHE) has socialized the HCV presence to the foreman and the employees on 30 June 2010 which was attended by 13 personnel, and on 11 June 2010 which was attended by 12 personnel. Socialization material among others: (1) the directive of the areas boundaries of that should not be sprayed with chemicals, (2) appeal to protect and preserve HCV that provide benefits to the community, (3) appeal to not poison fish, and (4) appeal to preserve the HCV as a source of life in the future.	Closed	8/10/2010

2010. 25	5.3;5.6;8.1	<b>Identifying sources of waste, pollution and emissions</b> - the Company has not shown the documents identifying sources of waste, pollution and emissions.	NC	The company should provide the identification of waste, pollution and emissions sources; develop management plans to reduce waste, pollution and emissions in accordance with legal requirements and regulations; and report the monitoring results to the relevant agencies. Waste resources identification and management also includes the environment of Pantai Bonati Recreational Area.	Before Assessment	The organization has provided the identification of pollution and waste sources (plantation and POM), which describes the type of waste, waste source and its treatment plan.	Closed	8/10/2010
2010. 26	5.4	<b>The efficiency of energy use</b> - the Company had not been able to show a recording monitoring the use of renewable energy and fossil fuels.	NC	The company must provide records of renewable energy and fossil fuel usage and their efficiency analysis.	Before Assessment	The organization has records of monthly renewable and fossil fuel (diesel) usage in the forms of matrix and graphs that include the type of energy used (fiber, shell, solar) and the usage for every ton of FFB processed.	Closed	8/10/2010

2010. 27	5.5.3 7.7.3	<p><b>Procedures and Records of Land Fire Emergency Response</b> - There is a Memorandum regarding HPO Dry Season Anticipation and preparation against fire, and evidence (photographs) which shows that SHE has conducted land fire emergency response simulation, but the procedures and records are not yet available.</p>	NC	<p>SHE must provide procedures and records for handling forest fires that include measures of: (1) prevention, including identification and mapping of hazardous areas and water sources, installation of fire hazard signs on the identified hazardous locations, establishing and monitoring the conditions prone to fire, etc.; and (2) curative, including the deployment of fire fighting personnel and fire counter measures.</p>	Before Assess ment	<p>Fire Prevention SOP Doc. 730/TQM-ESH/10 dated 1 April 2010 and Fire Fighting SOP Doc. 727/TQEM-ESH/10 dated 1 April 2010 were presented.</p> <p>Emergency Response Training Record No. PH 4004 dated 1 April 2010 regarding Fire Management Manual was also provided.</p>	Closed	8/10/2010
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2010. 29	6.1	<p><b>Social Impact Analysis Document</b> - There are 2 (two) types of documents that identify the social impacts of the LSI oil palm plantations and mills activities, namely: UKL/UPL document (1999) and Social Impact Assessment Document (January 2010) carried out by POLLITO, among other informing company social risk factors, and the community economic and social risk factors. However, both documents are still separated. A documented action plan to combine both documents was not yet available. The documented action plan would provide a complete guide for the identified impacts management and monitoring.</p>	NC	<p>The organization should create a documented action plan to combine both documents was not yet available. The documented action plan would provide a complete guide for the identified impacts management and monitoring.</p>	Before Assessment	<p>The organization has made the latest AMDAL documents for LSI and was ratified by the AMDAL Commission of Tanah Bumbu District No. 660/32/BAPEDALDA/10 dated 26 July 2010. The AMDAL document has integrated the recommendations from the Social Impact Assessment results and was written in the RKL/RPL implementation report document.</p>	Closed	8/10/2010
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2010. 30	6.2.2	<b>Stakeholder List</b> - List of stakeholders have been available, both for the level of provincial, district, sub district, or village. But it does not include local community leaders, NGOs, other management units that border, local universities, and related agencies (Forest Service, BPN, etc.).	CFA	SHE should review the List of Stakeholders to ensure that all parties associated with the oil palm plantations and mills operation are identified and registered.	Before Assessment	The organization has completed the Stakeholder List that it covers the Province, District, Sub-District, and Village levels.	Closed	8/10/2020
2010. 31	6.2.4	<b>Officers responsible for public consultation and communication</b> - The Company has an officer who is responsible for public consultation and communication, but could not show a detailed job description document.	CFA	It is advised to show a detailed job description document for the officer responsible for public consultation and communication.	Before Assessment	Based on the AI-0900 procedures, the implementation of public consultation and communication is the responsibility of both the Head of Administration positioned in the Estate and also Land Settlement Committee positioned in the Estate and Banjarmasin.	Closed	8/10/2010

2010. 32	6.5.4	<b>Work agreement with the contractor</b> - Work agreement with the contractor requires the contractor to abide by the regulations in terms of employment, among others, in terms of provision of safety equipments. However, some other requirements, such as: adequate living conditions, wages, etc. were not required.	CFA	SHE should review the employment agreement with the contractor to ensure the agreement has stated that contractor should to comply with all regulations of employment.	Before Assessment	The company has included the requirement that contractors must abide the labor regulations covering wage system, written in Article 8 of the Employment Agreement Letter.	Closed	8/10/2010
2010. 33	6.6.1	<b>Freedom of speech and association</b> - The company has the Company Regulations and Collective Labor Agreement documents, but did not find any company policies that give workers freedom of speech and association.	NC	SHE must show evidence of corporate policies that give workers freedom of speech and association as written in the Companies Regulations, Collective Labor Agreement, or any other form of policy.	Before Assessment	The company has a written policy on the confirmation of Freedom of Speech and Association and Protection of Reproduction Rights which was signed by the Estate Manager on 1 September 2010. On site, there was the Workers' Union of Indonesia / Serikat Pekerja Seluruh Indonesia (SPSI).	Closed	8/10/2010

2010. 34	6.8.1	<b>Policy of discrimination -</b> One of the company's anti-discrimination policies set forth in the PKB Article 16 (2007-2009): Worker Recruitment, General Requirements paragraph 1.2 does not differentiate race, caste, religion, disability, gender, sex, union membership, and political affiliation. However, one acceptance requirement for prospective workers was nationality, that is "citizen of Indonesia."	CFA	The organization is advised to review the PKB document policy on the admission requirements of prospective workers with the requirement of Indonesian citizenship.	Before Assessment	The company has a policy of equal treatment without discrimination in the form of Sustainable Plantation Management Guidelines Policy No. 724/TQEM-SPMS/09 page 13.	Closed	8/10/2010
2010. 35	6.9.3	<b>Prevention of Sexual Harassment -</b> LSI has a sexual harassment prevention procedure (LSI/SOP/SOSEK/RSPO/06), but could not show implementation records.	NC	LSI must have a monitoring mechanism to ensure that the SI/SOP/SOSEK/RSPO/06 procedure has been implemented.	Before Assessment	The company has shown the Social Policy document which includes the protection of women workers from sexual crime and harassment by establishing a Gender Commission on 25 June 2010 which is chaired by Mrs. Mahmudah with a composed work program.	Closed	8/10/2010

2010. 36	6.11	<b>Company contribution to local development -</b> There is some evidence (photographs) showing the company contribution to local development, among others: places of worship aid, road repair, and Idul Adha cow donations, but has not been properly recorded into a matrix informing the type and amount of contribution, the benefactors, and time of delivery.	CFA	SHE must provide a matrix record (recapitulation) on company contribution on local development which includes detailed information on the type and amount of assistance, benefactors, and time of delivery.	Before Assessment	SHE has provided a matrix record (recapitulation) on company contribution on local development which includes detailed information on the type and amount of assistance, benefactors, and time of delivery.	Closed published NC-2010.47	8/10/2010
2010. 37	7.2	<b>Records of land suitability -</b> Records of land suitability for the area opened after the November 2005 was not presented.	NC	The organization should present records of land suitability for new area opened after November 2005.	Before Assessment	The organization has a Semi-Detailed Land Survey Report document which covers all plantation areas, including the areas opened after November 2005.	Closed	8/10/2010

**OPEN CAR – FROM PRE-ASSESSMENT**

No.	Ref Std	Non Conformance	Grade	Corrective Action required	Time Limits	Date and Observation	Status	Closing Date
2010.03	2.2.1;	<p><b>Legality of land occupation</b>                      - The legal rights ownership for land management by the company is proven by HGU Certificate No. 26, 27, 28, 34, and 35 of 2002 for an area of 7,794 ha (to SHE), and HGU Certificate No. 44/HGU/BPN/99 for an area of 6,077 ha (to LSI). However, to support the assurance of area management, it is important to have other supporting documents such as: RTRWK (District Area Planning) map, Forest and Water Areas map.</p>	CFA	Coordinate with the related agency.	S1	10/8/2010 RTRWK map and/or Forest and Water Areas map is not available on site.	Open	
2010.10	4.4.2	<p><b>Water Management</b> - The organization has conducted water quality analysis for rivers and ground water. But there is not enough evidence to analyze the quality of water for domestic household needs in accordance with quality standards specified in the regulations.</p>	Minor	The organization must show evidence of evaluation and action towards the water quality test results to eliminate the causes of why the environmental elements of water are higher than the tolerated threshold value.	S1	10/8/2010 The organization has shown evidence of periodical domestic water quality test results by independent institutions. However, the company has not shown evidence of evaluation and action to eliminate the causes of why the environmental elements of water are higher than the tolerated threshold value. For example: levels of Pb and Fe from the SHE domestic test sample of May 2010.	Open	

2010.17	4.6.6 4.7.4	<b>Periodical medical check up</b> - The organization has not been able to show records of periodical medical check up by physicians for employees working in high-risk jobs, for example: medical check up for spraying and fertilizing workers; records showing that there are no women spraying workers who are pregnant or breastfeeding, etc.	CFA	It is advised that periodical medical check up for all employees working in high-risk jobs can be realized in accordance with the established schedule.	S1	10/8/2010 Periodical medical check up program records was presented and realized by the company, with the exception of Angsana Mini Factory whose implementation is set on October 2010-Juni 2011.	Open	
2010.23	5.2: 7.3	<b>HCV habitat determination process</b> - Habitat with High Conservation Value was identified and confirmed through a public hearing on 6 January 2010 which was attended by 36 stakeholders' representatives. However, there was no sufficient evidence of NGOs and social environment; Higher Education; and related research institutions involvement.	CFA	The organization shall review the HCV areas identification and determination result referring to the "Identification Guide Regions of HCV Areas in Indonesia" (involving the relevant parties), and compile management program (steps) referring to the recommendations contained in the identification results document.	S1	10/8/2010 The organization has developed a HCV management program based on HCV identification Results document. However, there is insufficient evidence that the determination of HCV areas had involved all stakeholders, including NGOs.  MUTU auditors had gotten an explanation from the Pollito HCV Identification team, where some of the Execution Team comes from NGOs in order to meet the needs of NGO opinion. However, the Curriculum Vitae (CV) review results of HCV Identification team member in the LSI and SHE showed that the explanation is not proven to be truthful.	Open	



2010.28	5.5.4 7.7.4	<b>Land fire prevention facilities and infrastructure</b> - The organization already has the land fire prevention equipment (fire extinguishers, water-pump, water-trailer, flapper, etc.) placed on each estate. However, to ensure the adequacy of type and amount, it is necessary to evaluate the equipment appropriarity with each estate vulnerability level.	CFA	Organizations should review the relevant procurement policies for fire prevention facilities and considering the vulnerability level of fire hazard in the work area.	S1	10/8/2010 The organization has an Equipment List of Fire Fighting for each estate and POM. However, there is insufficient evidence of fire hazard vulnerability evaluation.	Open	
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#### NEW CAR - MAIN ASSESSMENT

No.	Ref Std	Non Conformance	Grade	Corrective Action required	Time Limits	Date and Observation	Status	Closing Date
2010.38	1.1.1	<b>Mechanism to receive and respond requests for information / complaints -</b> It is advised for the company to socialize the mechanism of information request to all parties concerned (both internal and external parties) to ensure the immediate provision (response) of information.	CFA		S1			

2010.39	2.2.3 2.2.5	<b>Records of conflict resolution</b> - The organization has provided the records of land claims cases resolution which clearly gives information of the claimants, land area, land location, and current status. However, there is insufficient evidence that the progress of the planned settlement has been accepted by the parties.	Minor	The organization must show evidence that the progress mechanism of the land claim settlement that would be done was accepted by all parties. For example: for the conflict resolution progress Tiberao Panjang and Pacakan Village community.	S1			
2010.40	4.4.1	<b>Protection of waterways</b> - It is advised to keep water sources, especially so that the Sebamban rivers, which run through the plantation area, are preserved. For instance, by doing creek water debit monitoring.	CFA		S1			
2010.41	4.6.4; 5.3.3	<b>Agrochemical and pesticide waste treatment</b> - The SHE agrochemical waste and pesticide storage warehouse permit was not available even though the organization has shown the permit application letter to Bapedalda of Tanah Bumbu District.	CFA		S1			

2010.42	4.7.9	<b>First Aid Trained Personnel</b> - There was not enough evidence that SHE had carried out P3K training for employees, both for the plantation and mill.	Minor	The organization must realize the First Aid training program for employees.	S1			
2010.43	4.7.10	<b>Evaluation of work accidents</b> - There are records Periodical evaluation results and action measures were taken to prevent the occurrence of the same type of work accidents. However, there is insufficient evidence that action were based on the problems causing the accident. Thus, the same type of accidents still happened. For example, thorn in palm the LSI 2010: January (2 cases), February (2 cases), April (4 cases), May (3 cases), June (1 case).	Minor	The organization must be able to show evidence that the preventive action against repetition of the same work accident has been based on the results of problem identification.	S1			
2010.44	5.1.2; 6.1.4	<b>RKL/RPL Periodical Reporting</b> - It is advised that the company is more consistent in giving reports to the related agencies. For example: RKL/RPL Implementation Report for January-Juny 2010, Labor Report, etc.	CFA		S1			

2010.45	5.3.3	<b>Waste treatment plan</b> - The company has a Hazardous and Non-Hazardous Waste Treatment SOP but it has not yet stated the storage period according to the existing regulation (Government Regulation No. 18 of 1999).	CFA		S1			
2010.46	6.1.4	<b>Social impact monitoring and management report</b> - The company has made RKL/RPL implementation reports until the period of January -June 2010. However, the social impact parameters were not yet measurable.	Minor	The company must present the social impact monitoring report with measurable parameters written in the RKL/RPL Implementation Report.	S1			
2010.47	6.11	<b>Company Contribution</b> - It is advisable to compose a Corporate Social Responsibility plan related with the local development based with basic need identification of the community so that it results in a clear and continuous budget and aid forms.	CFA		S1			

**3.2. Summary of Arising Issues from Public, Organization and Assessor responds.**

Location	Public Issues	Positive/ Negative	Public Comments	Mutuagung Response
<b>Angsana Estate Sports Center and Hotel Ebony Batu Licin District</b>				
	Company transparency towards information request	Negative	The company has a poor pattern of communication and coordination with the surrounding community. Manager, as the highest leader in the plantation and mill, has no authority to make decisions, making many community-related problems unresolved and accumulated.	Recommended to be verified on criteria 1.1 and 6.3.
	Reporting	Negative	The company has complicated bureaucracy in reporting. All reports have to go through the Jakarta Office, making the delivery late. For instance, RKL/RPL Implementation report and Investment report. The reports were actually needed by the related agency in the District level to be reported to a higher level (Province).	Recommended to be verified on criteria 1.1; and major indicator 5.1.2.
	Biodiversity	Neutral	SHE and LSI areas are not migration paths for protected species of flora and fauna.	Recommended to be verified on the criteria 5.2.

	Land ownership	Neutral	There were a number of land ownership cases within the company HGU area (SHE and LSI). Some cases have not been settled clearly.	Recommended to be verified on the criteria 2.2; criteria 2.3; and criteria 6.4.
	Social and communication, company contribution	Positive	The existence of SHE and LSI has helped the regional government in providing job opportunities and in improving the living standard of surrounding community.	Recommended to be verified on major indicator 6.1.1 and minor indicator 6.11.
	Production Practice (Empty Land Application)	Positive	Implement good production practices so that there is no complaints from the community due to pollution from the company activities.	Recommended to be verified on criteria 4.2; criteria 4.3; and criteria 4.4.
	Environmental Pollution	Negative	Has not revised ANDAL documents.	Recommended to be verified on minor indicator 5.1.1.

**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY**

**4.1 Formal sign-off of assessment findings**

Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.

Signed on behalf of:

PT Ladangrumpun Suburabadi  
PT Sajang Heulang  
Head of TQEM



Mohamad Pirabaharan

MUTUAGUNG LESTARI

Lead Auditor



Deni A. Novendi



**Annex 1. Checklist of RSPO Certification Assessment on PT Ladangrumpun Suburabadi and PT Sajang Heulang**

	<b>VERIFICATION RESULT- MUTU Certification</b>	<b>STATUS</b>
<b>PRINCIPLE #1 COMMITMENT TOWARDS TRANSPARENCY</b>		
<b>1.1</b>	<b>Oil palm growers and millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages &amp; forms to allow for effective participation in decision making.</b>	
<b>1.1.1</b>	<b>Records of information request</b>	
PA	<p>Mechanisms to provide information to stakeholders is set in the Standard Operational Procedure (SOP) No. AI 0900 which was passed by the Estate Manager on 1 April 2010; and CEO Memorandum No. M-024/CEO/V/2008 dated 7 May 2008 regarding the Procedures for Submission of Information and Company Documentation to the Media or Third Party. Both procedures describe the process flow of response towards requests for information from stakeholders, and only written requests will be addressed. Any requests for information will be addressed by the relevant department in accordance with the requested information material.</p> <p>Head of Administration explained that SHE, all incoming mail - including requests for information - from stakeholders will be recorded into the Incoming Mail Registry Book. Until the moment of pre-assessment, there was no requests for information. However, the statement was not supported by adequate policies or procedures to ensure that all requests for information from stakeholders will be recorded and stored according to the specified storage period.</p> <p>However, to further refine the procedures and ensure that requests for information will be handled, the organization needs to add the following to the procedure: (1) clearly define the stakeholders, (2) set the deadline when the response of each information request received will be responded, (3) determine what information can be published and which are to be kept secret, (4) for confidential documents, create a general summary that can be published, (5) set the information request record storage period based on importance.</p> <p>The organization has provided the record format "Incoming Mail Registry" to record letters received from stakeholders, including the letters requesting for information. Based on these records, until the pre-assessment, there has been no letter concerning requests for information received from stakeholders.</p> <p><b>Non conformance of this indicator is NC-2010.01.</b></p>	<b>X</b>

MA	<p>The company has revised procedure No. AI 0900 dated 1 April 2010. Section VI states, the Time Submission of Information 1 (one) week when the approval of Department Head is not needed and 1 (one) month when the approval of Department Head is required; the document type which can be given to other parties (17 types of documents) and document storage period is set for 5 (five) years. However, the mechanism not yet known by a number of regional agencies. Some agencies still mention (in the public consultation sessions) that the company is often too late in submitting reports and some complained of the corporate bureaucracy that often hinders the process of information requests. They (stakeholders) expect the company to socialize the mechanism to obtain information, so that the parties can address the requests for information directly to the intended party. One of the information difficult to obtain is about the implementation of environmental management and monitoring. Until the time of Assessment (October 2010) the RKL/RPL realization report for period January to June 2010 was still a draft and had not been submitted to the relevant authority.</p> <p>A number of requests for information (non reporting) has been recorded by the company in the form of a matrix 'Demand Record', among others:</p> <ol style="list-style-type: none"> <li>1) On 15 January 2008 from Sebamban II health center asking for information about the use of pesticides.</li> <li>2) On 2 March 2009 from the Bonati Village Chief requesting HGU data and land acquisition documents of the Bonati Village community.</li> <li>3) On 5 March 2010 from Tanah Bumbu Precinct asking for information about security force members data.</li> </ol> <p><b>Based on the detail above, NC-2010.01 is closed, but CFA-2010.38 is published.</b></p>	X
S1		
S2		
S3		
S4		
<b>1.1.2</b>	<b>Records of responses to information requests</b>	
PA	<p>See indicator 1.1.1 above.</p> <p>The Company has provided the Registry Book to record Incoming Mail and Outgoing Mail, including requests for information, but it has not been implemented consistently. For example, on site, there are several types of reports that have been submitted to government agencies which are not recorded, among others: Report on Management Plan and Environmental Monitoring Implementation (until December 2009); Advisory Committee Occupational Health and Safety (AC OHS) Implementation Report submitted to the Labor and Transmigration Agency of the Kotabaru District.</p> <p><b>Non conformance of this indicator is NC-2010.01.</b></p>	X
MA	<p>The company has presented the records of requests for information response in the form of 'Requests Records' matrix which includes information about the response date, name of applicant, the responsible part and its status. For example (1) Requests for information dated 25 March 2009 from the Forestry and Plantation Agency, information about parasite plant organism data, responded on 25 March 2009. (2) On 5 March 2010, requests for information from the Tanah Bumbu police precinct about security force member data had been responded on 25 March 2010 (3) on 15 February 2008, requests for information from Loban River Police Precinct, about estate business license was responded on 9 November 2008.</p> <p><b>Based on the detail above, NC-2010.01 is closed.</b></p>	√

S1		
S2		
S3		
S4		
<b>1.1.3</b>	<b>The records mentioned in 1 and 2 must be maintained for a period of time determined by the company, taking into account their relative importance</b>	
PA	There was no procedure or company policy stating the records storage period for both request for information and response.  See indicator 1.1.1 explanation above.	<b>X</b>
MA	The company determined the records storage period for both request for information and response in SOP No. AI 0900 Section VI, which is 5 (five) years.  <b>Based on the detail above, NC-2010.01 is closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		
<b>1.2</b>	<b>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.</b>	
<b>1.2.1</b>	<b>Information requests and responses must include any relevant or required documentation, in accordance to applicable national laws, such as :</b> (1) Legal: Land titles / user rights (Site Permit), Plantation Operation Permit (Izin Usaha Perkebunan), Land Use title (Hak Guna Usaha) or other documentation relating to application for Land Use Title in accordance to relevant procedures) (2) Environmental: Environmental and Social Impact Assessment (AMDAL / UKL-UPL) and environmental management and monitoring reports (RKL-RPL) (3) Social: Documentation of social activities and community programs (4) Health and safety Plan (5) Continuous improvement plan	
PA	The organization has all the necessary documents according to the regulations (such as Certificate of Land Rights/HGU,AMDAL/RKL/RPL documents, Social Impact Assessment documents, and Labor documents) to enable the company in providing adequate information to stakeholders related on legal issues, environmental management, social management, and labor management. However, there is no clear and socialized mechanism to regulate public access to these documents. See also the indicator 1.1.1 explanation above.  <b>Non conformance of this indicator is NC-2010.01.</b>	<b>X</b>

MA	<p>Contained in the information Request SOP No. AI 0900 Section VI that the type of documents that can be published are as follows:</p> <ol style="list-style-type: none"> <li>1. Land clearing area, Immature Plants, Mature Plants, facilities and infrastructure.</li> <li>2. Employee Social Security (JAMSOSTEK) payments</li> <li>3. Evidence of employee treatment,</li> <li>4. Public Facilities for employees</li> <li>5. Pest and disease data</li> <li>6. Light vehicles and heavy equipment data</li> <li>7. Supporting machinery</li> <li>8. CSR realization data</li> <li>9. Bridge and road network data</li> <li>10. Work buildings and public buildings data</li> <li>11. Educational facilities and the number of students</li> <li>12. Type of agrochemicals (fertilizers and pesticide) used</li> <li>13. Employee data</li> </ol> <p><b>Based on the details above NC-2010.01 is closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>1.2.2</b>	<b>The records must be maintained for a period of time determined by the company, taking into account their relative importance</b>	
PA	<p>There was no procedure or company policy stating the records storage period for both request for information and response.</p> <p><b>Non conformance of this indicator is NC-2010.01.</b></p>	X
MA	<p>The company determined the records storage period for both request for information and response in SOP No. AI 0900 Section VI, which is 5 (five) years.</p> <p><b>Based on the details above, NC-2010.01 1.2.2 is closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>PRINCIPLE #2 Compliance with applicable laws and regulations</b>		
<b>2.1</b>	<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	
<b>2.1.1</b>	<b>Evidence of compliance with relevant legal requirements</b>	
PA	<p>Some evidence of regulations compliance has been given by the company, among others: (1) payment of employee wages based on the Minimum Wage (2) the implementation of the OHS program according to the requirements of Act No. 13 of 2003, (3) having HGU certificates in accordance with terms of Act No. 5 of 1960, (4) monitoring and controlling pollution of air and water according to Act No. 4 of 1982, etc.</p> <p>However, there are a number of regulations that have not been implemented properly, for example: land damage control in accordance with Government Regulation No. 150 of 2000; protected area management in accordance with Presidential Decision No. 32 of 1990; etc.</p> <p><b>Non conformance of this indicator is NC-2010.02.</b></p>	X

MA	<p>The Company has presented Matrix of law compliance evaluation that informs the name of rules, chapters and requirements, and level of compliance. There are 49 types of regulations reviewed by the company including Act No. 13 of 2003 and the ILO; Hazardous materials and waste treatment; land damage control as required by Government Regulation No. 150 of 2000; protected areas management according to Presidential Decision No. 32 of 1990; etc. For example, the Company has paid wages in accordance with the decree of the Governor of South Kalimantan 188.44/0487/KUM/2009 dated 13 November 2009, has worked to complete the permit to use the hazardous waste storage facilities in accordance with Government Regulation No. 18 of 1999; erosion monitoring in accordance with the Government Regulation No. 150 of 2000.</p> <p><b>Based on the detail above, the NC-2010.02 is closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>2.1.2</b>	<b>Evidence of efforts made to comply with changes in the regulations</b>	
PA	<p>See indicator 2.2.1. The company had not identified the regulation and laws in relation to plantation and palm oil mill operational activities.</p> <p><b>Non conformance of this indicator is NC-2010.02.</b></p>	X
MA	<p>The organization has presented identification evidence of regulation and laws in relation to plantation and palm oil mill operational activities and has shown efforts to comply with the regulation. For instance, changing the UKL/UPL document to AMDAL document.</p> <p><b>Based on the details above NC-2010.02 is closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>2.1.3</b>	<b>A documented system, which includes written information on legal requirements that the palm oil company should comply with.</b>	
PA	<p>The organization has a Regulation and Legislation Compliance List document which contains information of legal requirements that must be fulfilled, including Act No. 13 of 2003 concerning Labor; Act No. 5 of 1960 on Agrarian Principles; and Act No. 18 of 2004. But the list did not include all valid regulation and law and the compliance study did not include the entire related articles.</p> <p>Example: Compliance Assessment of Act No. 13 of 2003 is limited to Articles 86 and 87 (related to the requirements of Occupational Health and Safety program), and other legal requirements have not been studied for its compliance, for example: Presidential Decision No. 32 of 1990, Bapedal Decision No. Kep-01/Bapedal/09/1995 and Kep-05/Bapedal/09/1995, Government Regulation No. 150 of 2000, the CITES Stipulation, ILO Stipulation No. 98, 87, 29, 81, etc.</p> <p><b>Non conformance of this indicator is NC-2010.02.</b></p>	X

MA	The company has updated the regulation and laws compliance list and studied their compliance status.  <b>Based on the details above NC-2010.02 is closed.</b>	√
S1		
S2		
S3		
S4		
<b>2.1.4</b>	<b>A mechanism for ensuring that compliance with relevant legal requirements is implemented.</b>	
PA	The organization has a Regulation and Legislation Compliance List document which contains information of legal requirements that must be fulfilled and recorded the implementations done. However, it did not include all the related regulations. Evaluation mechanism was done by identifying the implementation done and comparing them with the regulation requirements.  <b>Non conformance of this indicator is NC-2010.02.</b>	X
MA	Similar with PA. Evaluation mechanism was done by identifying the implementation done and comparing them with the regulation requirements and the company has shown the matrix of Regulation and Legislation Compliance List.  <b>Based on the details above NC-2010.02 is closed.</b>	√
S1		
S2		
S3		
S4		
<b>2.2</b>	<b>The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</b>	
<b>2.2.1</b>	<b>Documents showing legal ownership or lease of the land in accordance to relevant laws.</b>	
PA	The legal rights ownership for land management by the company is proven by: 1. HGU Certificate No. 26, 27, 28, 34, and 35 of 2002 for an area of 7,794 ha (to SHE) 2. HGU Certificate No. 44/HGU/BPN/99 for an area of 6,095 ha (to LSI). The HGU is valid for 35 years. Based on other evidence owned by the company - namely: the Tugu book, HGU certificates - it can be said for certain that the legal rights ownership for land management by LSI has gone through the procedures stated in Articles 19, 28 - 31 from Act No. 5 of 1960. Until the pre-assessment, the HGU certificates are still valid and there was no evidence which complies with the nullification requirements as written in Article 34 from Act No. 5 of 1960.  Based on the interview with the public figure (KUD Chief of Tuwuh Sari), it is know that the work area preservation of SHE palm plantation is under threat due to the identification of high coal concentration there. The KUD has gotten a number of visits from coal mining investors for work agreement, showing the coal potential map of SHE area.	X

	<p>Regarding the above, to further support the assurance of area management, in addition to the availability of legal evidence in the form of HGU certificates, it is important to complement other supporting documents such as: RTRWK (District Area Planning) map, and Forest and Waters Areas map. The maps are important documents that have legal power over land use according to the agreed area planning structure.</p> <p>Annexation of land by coal mining company (PT Anzawara Satria) have occurred in 2005 in an area of ± 50 ha, whose appeal filed SHE was rejected by the Supreme Court on 23 May 2008.</p> <p><b>Non conformance of this indicator is CFA-2010.03.</b></p>	
MA	<p>Similar with PA above - The legal rights ownership for land management by the company is proven by:</p> <ol style="list-style-type: none"> <li>1. HGU Certificate No. 26, 27, 28, 34, and 35 of 2002 for an area of 7,794 ha (to SHE)</li> <li>2. HGU Certificate No. 44/HGU/BPN/99 for an area of 6,095 ha (to LSI). The HGU is valid for 35 years.</li> </ol> <p>Based on other evidence owned by the company - namely: the Tugu book, HGU certificates - it can be said for certain that the legal rights ownership for land management by LSI has gone through the procedures stated in Articles 19, 28 - 31 from Act No. 5 of 1960. Until the pre-assessment, the HGU certificates are still valid and there was no evidence which complies with the nullification requirements as written in Article 34 from Act No. 5 of 1960.</p> <p>However, the organization could not present evidence of plantation area designation from a district area planning map or other maps of the same kind issued by the related agency.</p> <p><b>Based on the details above, CFA-2010.03 is open.</b></p>	X
S1		
S2		
S3		
S4		
<b>2.2.2</b>	<b>Evidence that legal boundaries pole are clearly demarcated and visibly maintained.</b>	
PA	<p>There is a Tugu Book showing the boundaries pole coordinates on the sites and the boundaries pole was mapped clearly.</p> <p>The company work area is marked by boundaries pole made of concrete, while the area demarcation (boundary line) is marked with clear and maintained roads 3 meters wide. Based on the company budget data (2007-2009), it is proven that each year the company has allocated funds for the boundary maintenance.</p> <p>See indicator 2.2.1</p>	√
MA	<p>Similar with PA above.</p> <p>The company could present records of boundary maintenance written in the Tugu book. The realization of boundaries pole maintenance was done along with the road maintenance (boundary line).</p>	√
S1		
S2		
S3		
S4		



<b>2.2.3</b>	<b>Where there are, or have been, disputes, proof of resolution or progress towards resolutions processes acceptable to all parties are implemented.</b>	
PA	<p>On site, there was available an evidence of land conflict resolution documents in the form of the Delivery Minutes and payment receipt. There was no matrix record detailing the parties involved, the extent and location of land, and the settlement status. For example, for the case of land claims in 2008 by Waringin Tunggal and Tiberao Panjang Village residents, in Blocks K and I SHE. The case resulted in road blocking in Blocks K26-32 and J26-30.</p> <p>Based on the explanation of TOEM Manager, all records of land conflicts were held by the Land Committee, located in Jakarta. This will be further verified at the time of assessment.</p> <p><b>Non conformance of this indicator is CFA-2010.04.</b></p>	X
MA	<p>The organization has provided records of settlement process for each land claim cases happened. The record has information detailing the parties involved, the extent and location of land, and the settlement status. However, there was not enough evidence that the settlement progress was accepted by all the parties.</p> <p><b>Based on the details above, CFA-2010.04 is closed; However Minor-2010.39 is published.</b></p>	X
S1		
S2		
S3		
S4		
<b>2.2.4</b>	<b>Evidence of legal acquisition of land with free prior and informed consent</b>	
PA	<p>The organization could not present evidence of land release through Free Prior and informed Consent.</p> <p><b>Non conformance of this indicator is NC-2010.05.</b></p>	X
MA	<p>The company has shown evidence that the land acquisition have been agreed by the conflicted parties, such as documents containing land release agreement letter, land payment receipt, official minutes reports, conflicted location map, compensation process photographs, and identification copies of the conflicted parties, for instance in the land settlement of Mr. Suriani for 40 hectares dated 11 August 2010. Land settlement process conducted in phases by PSD (plantation service department) team of Kalimantan and Sulawesi Regions, which is located in Banjarmasin and by the Jakarta Land Committee. In accordance with the AI 0900 procedure, completion of land acquisition process begins with identifying ownership, followed by field observation, mapping and conducting negotiations. Everything was done together with the claiming parties and was witnessed by local government officials (Muspika).</p> <p><b>Based on the details above, NC-2010.05 is Closed</b></p>	√
S1		
S2		
S3		
S4		

<b>2.2.5</b>	<b>A mechanism to resolve conflict which is accepted by all parties.</b>	
PA	The company could not present the documents showing that the settlement procedures were accepted by all the parties.  <b>Non conformance on this indicator is NC-2010.05.</b>	<b>X</b>
MA	The company has Claims Handling Procedures No.02/PSD/09 dated 12 June 2009, covering the identification activities by the Land Committee, the claim map examination, and the negotiation process (settlement). However, there was no evidence of socialization so that all of the things above could be agreed by the conflicted parties. Interview with Village Chiefs of Bakarangan, Tiberao Panjang, and Kepayang showed that they hoped the company would be more open to public by doing better communication with the parties conflicted in the land settlement process. See indicator 2.2.3 explanation above.  <b>Based on the details above, NC-2010.05 is Closed, NC-2010.39 is published.</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>2.3</b>	<b>Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.</b>	
<b>2.3.1</b>	<b>Records of any negotiated agreements between traditional owners of land and plantation companies (if any), supplemented with maps in appropriate scale</b>	
	The organization has some documents related to social functions identification, among them are: UKL/UPL of 1999 document, High Conservation Value (HCV) Identification of 2009 document, and Social Impact Assessment of 2009 document. However, none of these documents contain statements that ensure the existence (Attendance or absence) of traditional rights ownership (for example customary rights) in the work area. To ensure that in the company work there is no area bearing the traditional rights ownership, it is advisable to get a statement from the competent authority (for instance the local BPN office, or the City/District Government).  Although not explicitly stated, based on Article 2 paragraph 4 and Article 3 of the Basic Agrarian Act No. 5 of 1960, and Article 9 paragraph 2 of Act No. 18 of 2004 on Plantations, Republic of Indonesia government still appreciates the existence of traditional rights (customary rights) as long as it is, in fact, existed in an area.  <b>Non conformance of this indicator is CFA-2010.06.</b>	<b>X</b>

MA	<p>On site, the organization has shown BPN Tanah Bumbu Letter No. 000/175/KP.12 regarding Indigenous Rights / Communal Land Status, which states that there is no customary rights land status within the land given on the company HGU (PT Sajang Heulang and PT Ladangrumpun Suburabadi).</p> <p>Concerning other customary rights, the interview with the Village Chiefs of Bakarangan and Tiberau Panjang showed that the company has never prohibited the community to fish, hunt, or gather honey and non-palm fruits within the company work area. The company only made rules so that the fishing is not done by electrocuting and poisoning. The prohibition can be seen in prohibition boards found in a number of fishing sports and other spots frequently visited by the community.</p> <p><b>Based on the details above CFA-2010.06 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>2.3.2</b>	<b>Maps of any appropriate scale showing extent of recognized customary rights.</b>	
PA	<b>N/A</b>	
MA	<p>On site, there are maps of Areal Statement and HCV (High Conservation Value) Distribution, which gives information on the land usage distribution within the work area of SHE and LSI, among others: plantation area, occupied area, facilities and infrastructure, and other usage.</p> <p>Based on said maps, it is certain that there are no territories occupied due to traditional rights, with the exception of the river and flooded area used by the community to fish.</p>	√
S1		
S2		
S3		
S4		
<b>2.3.3</b>	<b>Copies of negotiated agreements detailing process of consent.</b>	
PA	<b>N/A</b>	
MA	<p>The interview with the Village Chiefs of Bakarangan and Tiberau Panjang showed that although there was no written agreement, the company has never prohibited the community to fish, hunt, or gather honey and non-palm fruits within the company work area, with the exception that the fishing was done by electrocuting and poisoning and that the hunting was for protected species. To prevent said things, there was no formal agreement with the community, however the company made information boards which were meant to manage the natural resources utilization within the work area, which in it is included the rules for fishing, hunting, or gathering honey.</p> <p>See indicator 2.3.1 explanation above.</p>	√
S1		
S2		
S3		
S4		

<b>PRINCIPLE # 3 Commitment to long-term economic and financial viability</b>		
<b>3.1</b>	<b>There is an implemented management plan that aims to achieve long term economic and financial viability.</b>	
<b>3.1.1</b>	<b>A documented working plan of the company for a minimum of 3 years period.</b>	
PA	<p>There is the company long term work plan in form of 2010/2011 Budget &amp; 2012 - 2014 Projection for each unit (estate and mill). Budget contains the land designation according to planting year, production projection, OER (Oil Restriction Rate) projection, production cost and total cost analysis. For example:</p> <ul style="list-style-type: none"> <li>- SHE Production Budget : 2010/2011 (Production=53.757 ton, Productivity=21,46 ton/ha); 2011/2012 (Production=54.751 ton, Productivity=21,66 ton/ha); 2012/2013 (Production=55.299 ton, Productivity=22,08 ton/ha); 2013/2014 (Production=58.368 ton, Productivity=23,30 ton/ha)- Plantation Production Costs: 2010/2011 (IDR 532,66/kg); 2011/2012 (IDR 572,87/kg); 2012/2013 (IDR 620,9/kg); 2013/2014 (IDR 662,81/kg)</li> <li>- Total Cost Analysis, consists of Fixed cost and Direct cost</li> </ul>	√
MA	Similar with PA - The company has a long term work plan in form of 2010/2011 Budget & 2012 - 2014 Projection which covers planning for all activities and their budgeting.	√
S1		
S2		
S3		
S4		
<b>3.1.2</b>	<b>Annual replanting program, where applicable, projected for a minimum of 5 years with yearly review.</b>	
PA	The oldest plants owned by the company are 15 years old, so that in the next 5 years, the company has not planned for a replanting. However the organization has a long term replanting plan for plants with the planting years 1995 and 1996, in a total area of 1,683 ha. This plan has the purpose to redesign the block structure. This activity is planned to be carried out in 2020 until 2025. There is a Long Range Replanting document in New Blok, Mustika Estate.	√
MA	Similar with PA - the organization has a long term replanting plan for plants with the planting years 1995 and 1996, in a total area of 1,683 ha. This plan has the purpose to redesign the block structure. This activity is planned to be carried out in 2020 until 2025. There is a Long Range Replanting document in New Blok, Mustika Estate.	√
S1		
S2		
S3		
S4		

<b>PRINCIPLE # 4 Use of appropriate best practices by growers and millers</b>		
<b>4.1</b>	<b>Operating procedures are appropriately documented and consistently implemented and monitored.</b>	
<b>4.1.1</b>	<b>Standard Operating Procedures (SOPs) for estates, from land clearing to harvesting.</b>	
PA	<p>There is the Plantation SOP:</p> <p>Agricultural Reference Manual 110/EST-ARM/08, Minamas Plantation, enacted on 19 August 2008 by the CEO (Frank Anthony). Consisted of: Plant Materials, Cultivation Techniques, Re-Planting, Land Preparation, Plant Maintenance, Fertilization, Non-Productive Fertilization, TBM fertilization with empty bunch application, Ablation, Maturity Standard, Crop Rotation, Fruit Harvesting.</p>	√
MA	<p>Similar with PA - Agricultural Reference Manual 110/EST-ARM/08, Minamas Plantation, enacted on 19 August 2008 by the CEO (Frank Anthony). Consisted of: Plant Materials, Cultivation Techniques, Re-Planting, Land Preparation, Plant Maintenance, Fertilization, Non-Productive Fertilization, Immature Plants fertilization with empty bunch application, Ablation, Maturity Standard, Crop Rotation, Fruit Harvesting.</p>	√
S1		
S2		
S3		
S4		
<b>4.1.2</b>	<b>Standard Operating Procedures (SOPs) for POM, from reception of FFB to dispatch of Crude Palm Oil and Palm Kernel Oil.</b>	
PA	<p>There are Mill SOP in forms of:</p> <p>1) Palm Oil Mill Operational Administration Document, Minamas Plantation, Policy No. 130/POD-FAC/07. The content of the procedures among others are: Chapter 3.2.3 concerning the FFB Acceptance Procedures and Weighing Process, Chapter 3.2.4 concerning the Palm Oil and Palm Core Weighing Procedures, and Chapter 3.3.1 concerning the Palm Oil and Palm Core Extraction Procedures.</p> <p>2) Mill Technical Guide Volume I, Minamas Plantation, Policy No. 110/POD-FAC/07. The content of the procedures among others are: Chapter 1.1 concerning Fruit Acceptance, Chapter 1.2 concerning Boiling, Chapter 1.3 concerning Striping, Chapter 1.4 concerning Digesting, Chapter 1.5 concerning Pressing, Chapter 1.6 concerning Purification, Chapter 1.7 concerning Seed and Coco Fiber Separation, Chapter 1.8 concerning Kernel Station, Chapter 2.1 concerning Palm Oil Storage.</p> <p>3) Mill Technical Guide Volume II, Minamas Plantation, Policy No. 120/POD-FAC/07. The content of the procedures among others are: steam kettle type, power supply machine, diesel generator, generator work factor, electrical panel operational and maintenance, supply network, occupational health and safety.</p> <p>But those SOP has not been validated by the related officials, and it is advised to validate those procedures.</p> <p><b>Non conformance of this indicator is CFA-2010.07.</b></p>	X

MA	The company has presented the validation evidence of FFB Acceptance until the dispatch CPO & PKO SOP, in form of Head Plantation Operation (HPO) Memorandum No. PUD-UM-154/VII/2010 dated 26 July 2010 concerning: Stipulation of Palm Oil Mill Technical Guide No. Policy 110, 120, 130/POD-FAC/07.  <b>Based on the details above CFA - 2010.07 is closed.</b>	√
S1		
S2		
S3		
S4		
<b>4.1.3</b>	<b>Records of checking or monitoring of operations. Minimum requirement: once a year.</b>	
PA	Inspection activities on the operational activities were carried out by the company's internal party and an external party. Examination by the internal party (internal auditors and the Plantation Advisory Department) is conducted twice a year. While the inspection by external parties is done once a year. There are documents on the results of operations inspection activities, for example: - Plantation Advisory Report, Angsana Estate. Date of visit 19 to 20 November 2009. Examination results included recommendations for planting palm on <i>harpen</i> soil types in the LSI area by planting LCC palnts continuously to suppress weed growth and maintain soil fertility. - Internal Audit Report in the form of Group Corporate Assurance Report, Angsana Estate, dated October 26, 2009. - Work Sheet Paper Examination. Examination by the internal auditor. Semester 2 of 2009/2010, Date of Examination 27 April 2010. - Plantation Advisor Report No: MIN/PBE01/09-10, date of visit 13 to 15 August 2009.	√
MA	Similar with PA Inspection activities on the operational activities were carried out by the company's internal party and an external party. Examination by the internal party (internal auditors and the Plantation Advisory Department) is conducted twice a year. While the inspection by external parties is done once a year.	√
S1		
S2		
S3		
S4		
<b>4.1.4</b>	<b>Records of operational results.</b>	
PA	All operational activities are summarized monthly in the plantation and mill unit report. On site, there are the Plantation Unit Report of Angsana Estate, Periods of January 2010, February 2010, March 2010, and April 2010.	√
MA	Similar with PA. All operational activities are summarized monthly in the plantation and mill unit report (Manager report). For instance, there are Plantation Unit Reports until the period of July-September 2010 of Bonati Estate giving information as follows: - Plant area - 2,505 ha - FFB Production Achievement - 15,077,850 kg - Pest and Disease Control - 0 (pest attack is below the determined threshold). - Inorganic Fertilizing - 0 (fertilizing plan of October 2010) - Organic Fertilizing - Empty land (7,532,300 kg = 269 ha), Land application - 90 ha - Seeding - 0 (no new planting) - LC and inserts - 0.	√

S1		
S2		
S3		
S4		
<b>4.2</b>	<b>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>	
<b>4.2.1</b>	<b>Records of regular soil, leaf, and visual analysis.</b>	
PA	<p><u>Soil Analysis Records.</u> Company has records of land suitability as outlined in the documents Tinjau Soil Survey Results and/or Semi-Detailed Soil Final Report (2006) issued by the Minamas Plantation Research Department. Semi Detailed Soil Survey is conducted every five years, including grouping soil types and soil suitability classification based on the level of fertility and topography. Semi-detailed soil survey results together with the results of leaf analysis, are used as references by the company to give fertilizer recommendation.</p> <p>Semi Detailed Soil Survey groups the soil into 4 ordos: Ultisol, Oxisol, Alfisol, and Inceptisol. Each ordo is classified further and 5 soil series are obtained, namely: MM-02 Typic Hapludults, MM-09 Lithic Eutrudox, MM-19 Plinthic Hapludox, MM-20 Humic Endoaquepts, dan MM-23 Plinthic Eutrudox. The distribution of each soil series are written in the Soil Mapping Units. The 5 SMU were then combined with the land topography and 7 Land Mapping Units (LMU) are obtained. The Division 1 area of Mustika Plantation consists of 2 LMU, namely SMU 1 with the soil series MM-02 with 3-8% slope; and SMU 2 with the soil series MM-02 with 8-17% slope. Divisions 2 and 3 consist of 5 LMU, namely LMU 1, LMU 3, LMU 4, LMU 5, and LMU 7. While Division 4 only consists of 1 LMU, namely LMU 6 of 2.320 ha area with the soil series MM-23 with 0-3% slope.</p>	✓
	<p><u>Leaf analysis report:</u> The organization has conducted periodical leaf analysis done annually with the purpose of giving fertilizer dosage recommendation. There is periodical leaf analysis records, among them is: Leaf Analysis Test Report, dated 14 March 2008. The analysis result, among others are as follows: - Block A1, 26 Ha, planting year 1996; % on dry matter (2.77 % N; 0.147 % P; 1.147 % K; 0.252 % Mg; and 0.503 % Ca) - Block B5, 29 Ha, planting year 1996; % on dry matter (2.71 % N; 0.164 % P; 1.244 % K; 0.238 % Mg; and 0.445 % Ca).</p> <p>The organization has conducted periodical leaf analysis done annually with the purpose of giving fertilizer dosage recommendation. For instance, there is a leaf analysis in 2008 for LSI. Block A0-26 concentration: N=2.77%; P=0.15%; K=1.21%; and MG=0.23%. Blok A30 concentration: N=2.38%; P=0.17%; K=1.12%; and MG=0.19%</p> <p>There are periodical leaf analysis records for SHE, among them is: Leaf Analysis Test Report, dated 14 March 2008. The analysis result, among others are as follows: - Block A1, 26 Ha, planting year 1996; % on dry matter (2.77 % N; 0.147 % P; 1.147 % K; 0.252 % Mg; and 0.503 % Ca) - Block B5, 29 Ha, planting year 1996; % on dry matter (2.71 % N; 0.164 % P; 1.244 % K; 0.238 % Mg; and 0.445 % Ca).</p>	

MA	Similar with PA - Company has records of land suitability as outlined in the documents Soil Survey Results and/or Semi-Detailed Soil Final Report (2006) issued by the Minamas Plantation Research Department. The Semi-Detailed Soil was done in 2006 covering all the work area, including the new planting done after November 2005 in LSI. The document gives information on grouping soil types and soil suitability classification based on the level of fertility and topography. Semi Detailed Soil Survey is conducted every five years as one of the references for fertilizer recommendation. On site, there is also a leaf nutrient analysis until March 2010.	✓
S1		
S2		
S3		
S4		
<b>4.2.2</b>	<b>Records of efforts to maintained and increase soil fertility (e.g. the use of fertilizer, legume cover crops, empty bunch applications, and land applications) based on the results of analysis in 4.2.1.</b>	
PA	There are records to maintain and improve soil fertility, including: - Fertilization Recommendations 2009 - 2010, for LSI and SHE. Fertilizer recommendation is based on the results of leaf analysis done on a regular basis every year. - Records of inorganic fertilizers, for example: for LSI in February 2010; RP Fertilizer was applied as much as 167.8 tons; NK Blend Fertilizer as much as 135.4 tonnes, for SHE Semester 1 RP Fertilizer as much as 83.623 tons and Semester 2 until March 2010 as much as 2.991 tons. - Daily monitoring of liquid waste application in form of Effluent Application Book, Angsana Estate. For example: Applications in March 2010; Block B21, Flat bed 1,456 items, applied waste volume 5,024 liters, applied area 9 ha, workers 13 people. - Empty bunch applications in 2010, Angsana Estate. For example: application in Block A027 (LSI) as much as 498 tons with a range of 18.3 ha, the doses used 27.1 ton/ha; in Block A030 (LSI) as much as 679.2 tons, with a range of 27.17 ha, the doses used 24.5 ton/ha. The affectivity evaluation for the activities mentioned above is not yet available. <b>Non conformance of this indicator is NC-2010.08.</b>	X
MA	There are records of activities to maintain and improve soil fertility through fertilizing, empty bunch application, and land application. The affectivity of those activities is monitored in the 'Production History Matrix and Graphs' made periodically each month.  <b>Based on the details above NC-2010.08 is declared closed.</b>	✓
S1		
S2		
S3		
S4		
<b>4.3</b>	<b>Practices minimize and control erosion and degradation of soils.</b>	
<b>4.3.1</b>	<b>Maps of fragile soils must be available.</b>	
PA	On site, there is a Semi Detailed Soil Survey results giving information on 'Land Mapping Units'. The map describes the land suitability based on the soil series and slopes for each area (SPL 1 until SPL 7). The fragile soils are described as areal having N1 (currently unsuitable) and N2 (unsuitable) suitability levels. Example of fragile soil: traditional gold mine area of 190 ha in Mustika Estate.	✓



MA	<p>Similar with PA</p> <p>On site, there is a land suitability map for each plantation unit (SHE and LSI), where fragile soil is given as area with N1 (currently unsuitable) and N2 (unsuitable) suitability level. For example, based on the Soil Survey, it is know that within the SHE area there is fragile soil for 190 ha in form of traditional gold mine and it is mapped clearly.</p>	√
S1		
S2		
S3		
S4		
<b>4.3.2</b>	<b>A management strategy should exist for plantings on slopes above a certain limit (needs to be soil and climate specific).</b>	
PA	<p>Crop management strategy for area with certain tiltiness is described in the Semi Detailed Soil Survey. Areas with certain tiltiness are one of the limitations considered by the company in the palm plantation development. For instance: The land class in all SPL at Mustika Plantation has the potential of being S2 by correcting the limitation factors by the following actions:</p> <p>Erosion in all area of Mustika plantation is classified as big, with 3-8 % slope on SPL 1, 4, and 7 reaching even 17 % slope at SPL 2, which could cause a big enough land erosion and surface shift within the rainy season. The actions that can be done to prevent erosion and land shifts and also surface washing, among others are: maintaining cover crop vegetation by doing selective weeding and growing fern <i>Nephrolepis</i> sp; terracing or creating siltpit on slopes; placing midribs in U shape frond stacking; empty bunch application; and planting terrace-strengthening plants such as <i>Vetiver zizanioides</i> (vetiver grass).</p> <p>In practice on the field, the organization has implemented and programmed activities that have been recommended by the research department, such as: planting of Vetiver grass, siltpit construction and terracing, empty bunch applications, and planting <i>Nephrolepis</i>.</p> <p>However, the organization has not been able to show evidence of affectivity evaluation of the practices done in order to reduce the limitations of the slopes. For example, monitoring the erosion rate has not been done to prove that the management has been effective on slopes characterized by the erosion measurements showing a declining trend in the erosion level.</p> <p><b>Non conformance of this indicator is NC-2010.08.</b></p>	X
MA	<p>The organization has shown an effort to measure the rate of land erosion to assess the effectiveness of the slopes management with the peg method. Under SOP No. II-04/MRC-SOP/10 dated 25 May 2010 clausal 3.2 states that the observations were made every month (on the 1st of every month). There are 10 points of erosion monitoring in Angsana Estate (LSI) located in Block AO-34, AO-35, A-17, B-22, C-27, and D-23, and 5 (five) points in SHE located in Block O-24, O-25, O-27, and Q-25. Each point presents particular slope according to field conditions (eg: 16%, 6%, 25%, 32%, 30%). Erosion monitoring points have been examined and can be found on the field. Measurements have been performed twice, each on 1 September and 1 October 2010. The measurement results in the LSI work area showed soil erosion LSI of 1-40 mm, while in the SHE showed the erosion rate of 2-6 mm.</p> <p><b>Based on the details above NC-2010.08 is closed</b></p>	√
S1		
S2		
S3		

S4		
<b>4.3.3</b>	<b>Attendance of road maintenance program.</b>	
PA	The organization already has a road maintenance program in the form of Road Improvement Proposals document, Mustika Estate, April 2010. Road maintenance is done by using the method of street paving with biskos stones. Implementation schedule of this street repaving began in April 2010 to June 2010.	√
MA	Similar with PA The organization already has a road maintenance program in the form of Road Improvement Proposals document, Mustika Estate, April 2010. Road maintenance is done by using the method of street paving with biskos stones. Implementation schedule of this street repaving began in April 2010 to June 2010. For instance road maintenance plan 2010 is 13,940 km in SHE (Pantai Bonati).	√
S1		
S2		
S3		
S4		
<b>4.3.4</b>	<b>Subsidence of peat soils should be minimised under an effective and documented water management programme.</b>	
PA	Semi detailed soil survey results shows that there is no peat land within the company work area.	√
MA	Similar with PA Semi detailed soil survey results shows that there is no peat land within the company work area.	√
S1		
S2		
S3		
S4		
<b>4.3.5</b>	<b>A management strategy should be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils)</b>	
PA	See Minor indicator 4.3.2  Other strategies in managing fragile soil and other critical soil is written in the Semi Detailed Soil Survey Final Report, Mustika Estate, which are the following: - Water management: technical management action for overflowing water, especially on SPL 6, is by constructing outlets or water drainage channels. While in areas of SPL 3 and 5, empty basin-like land is required as a water reception spot. - Soil fertility improvement, one of which is by managing the soil acidity (pH). Areas of the soil series MM-09, both on SPL 3 and 4 have soil pH of 6.5 but the nutrient balance is very low (high Ca concentration, low Mg concentration). This causes an Mg deficiency, which has to be countered with giving Kieserite fertilizer. - Based on laboratory analysis, the gold mine area of 190 ha is classified as N1 (unsuitable) land class. Reclamation/land improvement efforts in unlimited time (>2 years) will eventually improve the soil physical properties that are damaged. Reclamation efforts that can be done among others are: covering holes with soil or organic materials, planting Legume Cover Crop, and making water channels.	√

MA	<p>Similar with PA</p> <p>The company has a number of fragile soil and other critical soil management in forms of water channel management, organic fertilizing, empty bunch application and front stacking. While in the deserted mine area, reclamation is done.</p>	✓
S1		
S2		
S3		
S4		
<b>4.4</b>	<b>Practices maintain the quality and availability of surface and ground water.</b>	
<b>4.4.1</b>	<b>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before replanting.</b>	
PA	<p>There are some company policies in order to maintain the quality and availability of water, which among others are: (1) avoid the use of chemicals throughout the area defined as river buffer zones and water sources, (2) restore the protection function of the riparian which has been designated as HCV 1 areas, by rehabilitating the riparian width of 50 meters on the left and right sides of the river (Memorandum Head Plantation Office - HPO No. POD-UM-061/IV/2010 dated 8 March 2010).</p> <p>However, all those policies are not fully implemented consistently and the organizations has not yet have planned the area protection in accordance with the HCV identification. For example, in the field, there is no clear boundary for the river buffer zone as a boundary limit for un recommended activities.</p> <p><b>Non conformance of this indicator is NC-2010.09.</b></p>	X
MA	<p>The organization has composed a HCV management plan, which includes river buffer zone and other water sources management classified as HCV 1. 4 and HCV 4.2. Site visit to the Sebamban River (Blocks B35, B36, A31, A28, D21, D25 of Angsana Estate) resulted in the findings of buffer zone boundary markings in form of circular yellow paint on palm trees 5 (five) trees away from the riparian. The company also planted mahogany trees in the buffer zone area. Based on the planting monitoring in Bonati Estate, until October 2010, the company has planted 301 mahogany trees (<i>Swietenia mahagoni</i>) in Division I and 370 trees in Division II.</p> <p>On the other hand, the preservation of creek functions within the company work area is still experiencing sedimentation, where the land erosion results shows the figure of 1-40 mm/month. To ensure the preservation of creek functions within the company work area, the water debit should be monitored and the results should be a reference for further conservation actions.</p> <p><b>Based on the details above NC-2010.09 is closed but CFA-2010.40 is published.</b></p>	X
S1		
S2		
S3		
S4		

4.4.2	<b>An implemented water management plan.</b>	
PA	<p>There are implementation records of river water quality testing conducted every 6 (six) months by the Commodity and Environmental Testing Laboratory, Institute for Industrial Research and Standards, Banjar Baru, South Kalimantan. The organization also has had the result of water quality measurement of monitoring wells located in the area of land application. Testing of water quality include pH, BOD, COD, total suspended, total nitrogen, concentration of Cd, Cu, Pb and Zn.</p> <p>Results of river water testing on 24 February 2010 in accordance with Test report No: 0380-PU/CU/BPPIP/BRSSBB/02/2010 shows the following: pH 6.47; BOD 8.1 mg/l, COD 19.39 mg/l; Total Suspended Solids 46 mg/l; Nitrogen Total 0.897 mg/l; content of Cd &lt;0.001 mg/l; CU 0.018 mg/l, Pb &lt;0.001 mg/l and Zn 0.009 mg/l.</p> <p>Meanwhile, the measurement results of monitoring wells are written on Test Report No: 0380-PU/CU/BPPIP/BRSSBB/02/2010, Release date 24 February 2010. Test results show the following: pH 4.95; BOD 11.4 mg/l, COD 29.09 mg/l, Total Suspended Solids 33 mg/l, total nitrogen 3.138 mg/l; concentrations of Cd 0.003 mg/l; Cu &lt;0.001 mg/l, Pb &lt;0.001 mg/l, and Zn 0.058 mg/l.</p> <p>Given that Sebamban Baru river water is used as household domestic needs, then the company should conduct water quality testing in accordance with domestic needs and the quality standards specified in the regulations.</p> <p><b>Non conformance of this indicator is NC-2010.10.</b></p>	<b>X</b>
MA	<p>There are records of periodical river water quality testing results and they are written on the Periodic Report Implementation of the Environmental Management Plan (RKL/RPL). Tests conducted by Health Laboratory of South Kalimantan Provincial Government, among others, taking samples from:</p> <ul style="list-style-type: none"> <li>- The tap water of Angsana Mini Mill, for domestic needs dated 31 May 2010 - (Pb &gt; maximum limit - SNI 06-6989.8-2004).</li> <li>- Clean water from drilled wells Division III (B35) dated 27 May 2010 - (Fe &gt; maximum limit - SNI 06-6989.4-2004)</li> <li>- Sebamban River water (Division IV/H23) dated 27 May 2010. Results of measurement tests are evaluated against water quality standards; Ministry of Health Regulation No.416/MENKES/PER/IX/90 RI; and Government Regulation No. 82 of 2001 regarding the Surface Water Group III.</li> </ul> <p>The test results above show that the Pb concentration in the Angsana Mini Mill tap water, and the Fe concentration in the drilled well Division III, is over the maximum limit of clean water. Yet there are no evidence that the results are followed up with improvement effort.</p> <p><b>Based on the details above, NC-2010.10 is Open with a Minor status.</b></p>	<b>X</b>
S1		
S2		
S3		
S4		

<b>4.4.3</b>	<b>Monitoring of effluent BOD</b>	
PA	<p>There are results of mill liquid waste BOD measurement done by the Commodity and Environmental Testing Laboratory, Institute for Industrial Research and Standards, Banjar Baru, South Kalimantan. For instance:</p> <p>- Test Results Report No: 0381-PU/CU/BPPIP/BRSBB/02/2010, published date 24 February 2010.</p>	✓
MA	<p>Similar with PA.</p> <p>Periodical mill liquid waste BOD monitoring is done every 3 months by the Center for Industrial Research and Standards, Commodity and Environmental Testing Lab. Ministry of Industry and Commerce - Banjar Baru. Records of monitoring results is attached in the monitoring document for the RKL/RPL implementation, for example liquid waste BOD test results for Angsana Mini Mill February 2010:</p> <p>- river water P.276 - water wells P.277 - waste water pond No. 1; pond No. 2; pond No. 3; pond No. 4; pond No. 5; pond No. 6; pond No. 7; The test results showed BOD 288 mg/liter - below the quality standard according to Ministry of Environment Decision Decree No. 51 of 1995.</p> <p>There is also a waste water test results as of 29 July 2010 for Angsana Mill No. 1995/PU/CU/BPPIP/BRSBB/07/2010, test results showed BOD 456 mg/liter.</p>	✓
S1		
S2		
S3		
S4		
<b>4.4.4</b>	<b>Monitoring of mill water use per tonne of FFB</b>	
PA	<p>The organization has conducted water usage monitoring in the mill in the form of Monthly Water Usage Summary for Mill. However the water usage per ton FFB is not yet evaluated.</p> <p><b>Non conformance of this indicator is CFA-2010.11.</b></p>	X
MA	<p>Records of water usage monitoring for the plant is available in the form of of Monthly Water Usage Summary (January to September 2010), informing the FFB processing (Mton), water consumption (m3), and average water use per ton FFB. In the last 3 months, the recorded water usage for Angsana Mini Mill are as follows:</p> <p>-July 2010: 12,202 m3 of water - 7,863,080 Mton FFB = 1.2 m3/mton FFB -August 2010: 10,598 m3 of water - 6,578,180 Mton FFB = 1.3 m3/mton FFB -September 2010: 10,156 m3 of water - 6,289,020 Mton FFB = 1.3 m3/mton FFB. As for Angsana Mill, it is known that the average water use was 1.3 m3/mton FFB.</p> <p><b>Based on the details above CFA-2010.11 is closed.</b></p>	X
S1		
S2		
S3		
S4		

4.5	<b>Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</b>	
4.5.1	<b>An IPM plan is documented and current.</b>	
PA	<p>The organization has conducted activities of integrated pest control that have been commonly practiced in palm oil plantations in Indonesia, including:</p> <ul style="list-style-type: none"> <li>- Control of fire caterpillars pest with a combination of biological and chemical methods. Biological method is done by multiplying the host plant for the natural enemies of fire caterpillars, commonly known as a beneficial plant. The beneficial plants used are <i>Cassia</i> sp, <i>Antigonon leptosus</i>, and <i>Turnera subulata</i>. These plants are planted along the main roads and production road within the plantation area. In addition, Decis chemicals have also been prepared to anticipate if at any time - an out break occurred. Until the pre assessment, the organization was actively planting beneficial plants throughout the plantation area.</li> <li>- Rat pest control is done biologically by using barn owls (<i>Tyto alba</i>). The organization has expanded owls around the plantation area, and has made owl nests (barn Owl) as places to life. The owls maintained are intended to prey on rat pests around the palm plantation which usually attack the young palm fruit and also the ripe palm fruit. Klerat chemicals have also been prepared to anticipate if at any time - an outbreak occurred. The organization also has been monitoring the owls and their homes.</li> </ul> <p>The organization already has a plan for integrated pest management costs included in the annual mill budget. But an IPC program that describes the type and details of activities to be performed was not yet available.</p> <p><b>Non conformance on this indicator is NC-2010.12.</b></p>	X
MA	<p>Similar with PA.</p> <p>The company has formulated an Integrated Pest Control program documented for Period I July-December 2010-2011, consisting census of barn owl, <i>Setora nitens</i>, worm, rat, squirrel, termite, rhinoceros beetle, diseases (bud rot, <i>Marasmius</i>, and <i>ganoderma</i>) and also planting of beneficial plants which are <i>Turnera subulata</i>, <i>Casea cobanensis</i>, and <i>Antigonon</i>.</p> <p><b>Based on the details above NC-2010.12 is closed.</b></p>	√
S1		
S2		
S3		
S4		

<b>4.5.2</b>	<b>Monitoring extent of IPM implementation including training.</b>	
PA	<p>There are records of IPM monitoring, among them are:</p> <ul style="list-style-type: none"> <li>- Plant Pest and Palm Disease Census Observation, Angsana Estate, Division 2. For example: Observations on the Block C34, C35, C36; Observation Date 28 April 2010; Results: The number of fire caterpillars (<i>Darna trima</i> types) at the observation point No. 14 was 2 organisms, No.17 was 4 organisms, and point No. 19 was 2 organisms; Total bag worms (<i>Metisa Plana</i> type) at observation point No.1 was 2 organisms, No. 4 was 2 organisms, No.5 was 3 organisms.</li> <li>- Pest Attack Recapitulation, April 2010, Angsana Estate.</li> </ul> <p>There is evidence that the organization has conducted integrated pest management training in the form of Tool Box Training/Meetings, minutes and attendance list. The training was conducted on 30 April 2010, by Mr. Subiyantono (Research Department Minamas Plantation), held in the Division II Gunung Sari Estate, attended by 19 people (first foreman, harvesting foremen, and maintenance foremen).</p>	✓
MA	<p>Similar with PA</p> <p>The IPC is recorded monthly in the plantation unit report (manager report). The record of <i>Tyto alba</i> monitoring for June 2010, Angsana Estate, observation results: eggs 0, chicks 10, broken eggs 12, flying chicks 10, next box condition are all well.</p>	✓
S1		
S2		
S3		
S4		
<b>4.5.3</b>	<b>Monitoring of pesticide toxicity units (a.i./LD 50 per ton of FFB or per hectare).</b>	
PA	<p>The organization has records of pesticide toxicity monitory per hectare and per ton FFB. The monitoring period of January - March 2010 resulted with:</p> <ul style="list-style-type: none"> <li>- January 2010: Pesticide usage per ha 0.042 kg/ha; Pesticide usage per ton FFB 0.031 kg/ton FFB</li> <li>- February 2010: Pesticide usage per ha 0.036 kg/ha; Pesticide usage per ton FFB 0.033 kg/ton FFB</li> <li>- March 2010: Pesticide usage per ha 0.063 kg/ha; Pesticide usage per ton FFB 0.062 kg/ton FFB</li> </ul>	✓
MA	<p>Similar with PA</p> <p>The monitoring period of March-October 2010 resulted with:</p> <p>Prima Up 480 AS (active ingredient: Glifosat) active ingredients amount used is 38.3 gram/year/ha.</p> <p><i>Garlon</i> 480 EC active ingredients amount used is 71.2 gram/year/ha</p> <p><i>Starane</i>, active ingredients amount used is 1.4 gram/year/ha.</p>	✓
S1		
S2		
S3		
S4		

4.6	<b>Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.</b>	
4.6.1	<b>Evidence of use of only approved and registered agrochemicals permitted by the relevant authorities.</b>	
PA	<p>There is evidence that the company only used agrochemicals that are registered and licensed by the authorized agency. Based on the used chemicals list, it is known that the company has used the following:</p> <ul style="list-style-type: none"> <li>- DECIS 2.5 EC; active ingredients Deltametrin 25 gr/l; Registration No. RI.387/11-2002/T</li> <li>- BASTA 15 WSC, active ingredients Ammonium glufosinat 150 g/l. Registration No RI. 1113/1-2004/T</li> <li>- ALLY 20 WP; active ingredients Metil metsufuron 20 %; Registration No. RI. 1027/5-2004/T.</li> <li>- STARANE 200 EC, active ingredients Kloroksipir. Registration No. RI. 854/5-2004/T</li> <li>- GARLON, active ingredients Triklopir. Registration No RI. 695/8-2003/T</li> <li>- ALLY 20 WP, active ingredients Metil metsulfuron; Registration No. RI. 1027/5-2004/T</li> <li>- PRIMA UP 480 AS, active ingredients Isopropil amina glifosat; Registration No. RI. 1779/11-2002/T.</li> </ul>	✓
MA	<p>Similar with PA</p> <p>Based on the used chemicals list, it is known that the company has used the following:</p> <ul style="list-style-type: none"> <li>- DECIS 2.5 EC; active ingredients Deltametrin 25 gr/l; Registration No. RI.387/11-2002/T</li> <li>- BASTA 15 WSC, active ingredients Ammonium glufosinat 150 g/l. Registration No RI. 1113/1-2004/T</li> <li>- ALLY 20 WP; active ingredients Metil metsufuron 20 %; Registration No. RI. 1027/5-2004/T.</li> <li>- STARANE 200 EC, active ingredients Kloroksipir. Registration No. RI. 854/5-2004/T</li> <li>- GARLON, active ingredients Triklopir. Registration No RI. 695/8-2003/T</li> <li>- ALLY 20 WP, active ingredients Metil metsulfuron; Registration No. RI. 1027/5-2004/T</li> <li>- PRIMA UP 480 AS, active ingredients Isopropil amina glifosat; Registration No. RI. 1779/11-2002/T.</li> </ul> <p>The company has not used Ally 20 WP anymore since April 2010 and it is replaced by Meta Prima 20 WDG, active ingredients Metil Metsulfuron. Registration No. RI. 1897/7-2008/T.</p>	✓
S1		
S2		
S3		
S4		



<b>4.6.2</b>	<b>Records of pesticide use (including active ingredients used, area treated, amount applied per ha and number of applications).</b>	
PA	<p>There are records of pesticide usage, for instance Mustika Estate Weed Extermination Program, Chemist Pole Maintenance, and Chemist Plates and Pioneer Maintenance. However, the pesticide usage realization program could not be presented, which should cover: the active ingredients used, the applied area, the usage per hectare and the number of application rotation.</p> <p><b>Non conformance of this indicator is NC-2010.13.</b></p>	X
MA	<p>The organization has shown records of pesticide usage covering the usage per hectare, annual rotation, applied area, toxicity per hectare. For instance the pesticide use in Angsana Estate for January - March 2010 consisted of, block number, planting year, applied area, type of spraying activity, and the pesticide used. As examples:</p> <ul style="list-style-type: none"> <li>- January 2010: Chemist pole spraying at Blovk C36, planting year 1998, area covered 6 ha, pesticide used was Ally with the quantity of 0.25 kg, pesticide use per hectare 0.05 kg/ha.</li> <li>- February 2010: Chemist plates spraying at Block A036, planting year 2007, area covered 40 ha, pesticide used was Basta with the quantity of 25.5 liter, pesticide use per hectare 0,73 liter/ha.</li> <li>- March 2010: Weed spraying at Block A034, planting year 2007, area covered 16 ha, pesticide used was Prima Up with the quantity of 19,1 liter, pesticide use per hectare 1,23 liter/ha.</li> <li>- July 2010: Chemist plate maintenance, prima up with the quantity of 9.8 liter, area covered 82 ha.</li> </ul> <p><b>Based on the details above NC-2010.13 is closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.6.3</b>	<b>Documentary evidence that usage of agrochemicals is appropriate for the target species, given at correct dosage and applied by trained personnel in accordance to the product label and storage instructions.</b>	
PA	<p>There is a monitoring matrix for chemical usage showing that the company has used the proper dosage with the target species referring to the directions on the labels of each chemical used (see also major indicator 4.6.2) A number of spraying workers interviewed in Block C15 LSI are known to have more than 5 years experience. The spraying foreman stated that the company always gives directions for chemical use in every morning assembly to avoid direct contamination to nature and to avoid direct physical contact with the spraying workers, however there is no records stating likewise.</p> <p>The company provides MSDS (Material Safety Data Sheet) as a reference for first aid dealing with workers with direct physical contact with the chemicals used. Most MSDS have been provided in Indonesian language so that they can be understood by all workers. However, a number of MSDS for a number of agrochemicals (Prima Up and Metaprima) could not be presented.</p> <p><b>Non conformance of this indicator are CFA-2010.14 and CFA-2010.15.</b></p>	X

MA	<p>The company has shown attendance lists, training materials, and training certificates, to prove that all spraying workers (agrochemical users) have been trained in the use of agrochemicals. Among other things, training that was held on 19 August 2010 at Angsana Estate Sports Center, in cooperation with the manufacturers of chemicals (PT Bayer). And to perform first aid in case of direct physical contact with agrochemicals, the company has translated all MSDS into Indonesian language including Prime Up 480 U.S. and Meta Prima 20 WDG.</p> <p><b>Based on the details above, CFA-2010.14 and CFA-2010.15 are closed.</b></p>	✓
S1		
S2		
S3		
S4		
<b>4.6.4</b>	<b>Waste material from agrochemicals including pesticides containers are properly disposed in accordance with laws and regulations.</b>	
PA	<p>There is a pesticide packing storage procedure RA012, 1 April 2010; and a chemical handling procedure ASF/SOP.ESH/04. However, both procedures have not referred to Government Regulation No. 18 of 1999 regarding the Hazardous Waste Treatment. For instance: the Hazardous waste storage period, Hazardous waste storage procedures, etc.</p> <p><b>Non conformance of this indicator is CFA-2010.16.</b></p>	X
MA	<p>The company has a Hazardous and non-Hazardous waste treatments SOP No RA012/ASF/SOP.ESH/10, dated 12 April 2010 for Angsana Factory; and SOP No. RSPO/5.3/PLB3&amp;BB3 for Angsana Mini Mill and SHE plantation. The procedures regulate agrochemical waste and pesticide packagings handling by reduce and reuse.</p> <p>Reduce, by selling to licensed third parties or efficient use; while reuse, by using something that has been used (for instance, the water used for knapsack washing is used again as the diluents agent for the next chemical use).</p> <p>There is a temporary storage mechanism in the warehouse. However the warehouses at the Angsana Mini Mill and SHE plantation have not had permits according to the existing regulation.</p> <p><b>Based on the details above, CFA-2010.16 is declared, however CFA-2010.41 is published.</b></p>	X
S1		
S2		
S3		
S4		
<b>4.6.5</b>	<b>Documentary evidence that use of chemicals categorised as World Health Organization Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions, and paraquat, is reduced and / or eliminated.</b>	
PA	<p>The organization has used chemicals according to regulation, see major indicator 4.6.1 The organization has committed to not use herbicide with Paraquat active ingredient, in accordance with the Research Department Memo No: MRC/Controller/HPO/698/X/2008, dated 4 November 2008 concerning the recommendation of Paraquat - Gramoxone active ingredient replacement application in the Minamas Plantation environment.</p> <p>Based on the PT LSI warehouse cards, paraquat has not been used since 14 December 2009.</p>	✓

MA	<p>Similar with PA - The organization has used chemicals according to regulation, see indicator 4.6.1</p> <p>The organization has committed to not use herbicide with Paraquat active ingredient, in accordance with the Research Department Memo No: MRC/Controller/HPO/698/X/2008, dated 4 November 2008 concerning the recommendation of Paraquat - Gramoxone active ingredient replacement application in the Minamas Plantation environment. Based on the PT LSI warehouse cards, paraquat has not been used since 14 December 2009.</p>	✓
S1		
S2		
S3		
S4		
<b>4.6.6</b>	<b>Records of the results of health check-up for those who apply agrochemicals.</b>	
PA	<p>There are records of health check-up for spraying workers in form of Spraying Workers Routine Health Inspection. For instance, for the inspection on 28 August 2009 at Gunung Sari Estate :</p> <ul style="list-style-type: none"> <li>- Employee name: Ms. Rusni, 52 years of age, female, inspection result: there was complaint of itches on the palms and areas surrounding the eyes when using the Garlon herbicide, blood pressure 120/80 mmHg. Inspection conclusion: the employee is having Dermatitis contact allergy disease</li> <li>- Employee name: Ms. Hairul, 45 years of age, female, inspection result: There was complaint of pain in the pit of the stomach, nausea, vomiting, and dizziness, feeling weak and watery eyes, blood pressure 110/80 mmHg. Inspection conclusion: the employee is having chronic Gastritis and conjunctivitis</li> </ul> <p>The check up was done by the Angsana sub district health center resident doctor (dr. Zepri Saputra). However, there was no such document in SHE.</p> <p><b>Non conformance of this indicator is NC-2010.17</b></p>	X
MA	<p>Periodical health check-up for workers in certain stations in the mill (boiler, genset, engine room) and on the plantation (spraying and fertilizing workers) which have high risks could be shown and realized by the company, with the exception of Angsana Mini Mill workers which was planned to be realized on October 2010-June 2011.</p> <p><b>Based on the details above NC-2010.17 is open.</b></p>	X
S1		
S2		
S3		
S4		
<b>4.6.7</b>	<b>Records showing that no pesticide spraying worker from pregnant and breastfeeding women.</b>	
PA	<p>See indicator 4.6.4 above.</p> <p>Based on the periodical health check up, there is none of the women spraying workers pregnant or breastfeeding.</p> <p>The company has a policy regarding the Prohibition of Pregnant or Breastfeeding Women Working as Spraying and Fertilizing Workers, based on the Managerial Memo Gunung Sari Estate No: GSE-gme/131/XI/2009/S, dated 18 November 2009.</p>	✓

MA	<p>There is a company policy in form of Managerial Memo No: GSE-gme/131/XI/2009/S, dated 18 November 2009 regarding the work transfers to other kinds of job for pregnant and/or breastfeeding spraying and fertilizing workers.</p> <p>Based on the interview with the clinic's orderly and spraying worker (Susmiyati, 40; Sariam, 37), the clinic stated that the rule does existed and has been implemented. Proven from the health check-up in the Central Clinic, showing that in the active spraying workers, none are found pregnant or breastfeeding.</p>	✓
S1		
S2		
S3		
S4		
<b>4.7</b>	<b>An occupational health and safety plan is documented, effectively communicated and implemented.</b>	
<b>4.7.1</b>	<b>Evidence of a documented Occupational Health and Safety (OHS) policy and its implementation.</b>	
PA	<p>There is a OHS policy enacted by the CEO of Minamas Plantation on 5 July 2008, which contains:</p> <p>Commitment: The company is responsible to execute OHS program in all the operational activities in the plantation and mill. The company has determined operational procedures for all plantation and mill to realize this purpose. The determination is realized by the complying efforts for the OHS regulation, and by improving continuously so that it may be the risk management means and business activities management.</p> <p>Purpose and Target:</p> <ol style="list-style-type: none"> <li>1. Giving protection to everyone involved in the business activity (zero accident) and to company assets</li> <li>2. Realizing safe and healthy business activities and improving the employees' mentality to the safety culture.</li> <li>3. Complying with the regulation of Republic of Indonesia regarding OHS.</li> </ol> <p>There is a OHS Procedure No: 711/TQEMS-P2K3/07, Minamas Plantation. Enacted on 14 December 2007 by the Head Plantation Operation.</p> <p>The organization has OHS Work Plan document which consisted of:</p> <ul style="list-style-type: none"> <li>- OHS meetings done once a month</li> <li>- Fire Fighting Drills done twice a year</li> <li>- Advisory Committee Occupational Health and Safety (ACOHS) internal audits are programmed for once a month</li> <li>- OHS Giving Month is programmed on January 2010</li> <li>- OHS Quarterly Reports are programmed for once every three months</li> <li>- OHS Expert Trainings are programmed for once a year</li> <li>- First Aid Trainings are programmed for once a year</li> </ul> <p>However, the program has not yet cover the execution plans for 1) periodical health check up; 2) emergency response simulation; 3) OHS Training Program.</p> <p><b>Non conformance of this indicator is NC-2010.18.</b></p>	X

MA	<p>The organization has a OHS program including emergency response simulation schedule, OHS training, quarterly reporting, OHS meeting, and periodical health check up program.</p> <p>OHS Document signed by the CEO Minamas Plantation dated 5 July 2008. The program details are given in the OHS work program matrix explaining the kinds of programs and the execution timeframe.</p> <ul style="list-style-type: none"> <li>- Advisory Committee Occupational Health and Safety (ACOHS) Training are programmed for once every three months.</li> <li>- Emergency response simulation twice a year.</li> <li>- Periodical health check ups are programmed for once every semester.</li> <li>- Advisory Committee Occupational Health and Safety (ACOHS) meeting minutes trainings are programmed for once a month.</li> <li>- Fire fighting equipment inspections are programmed for once a month.</li> <li>- Emergency response trainings are programmed for three times a year.</li> </ul> <p><b>Based on the details above NC-2010.18 is Closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.7.2</b>	<b>The personnel in charge of Work Health and Safety program have to be identified and records of periodical meetings discussing health, safety and workers' welfare issues have to be available.</b>	
PA	<p>The company has created OHS organization structure in each plantation and estate unit, for instance:</p> <ul style="list-style-type: none"> <li>- Advisory Committee Occupational Health and Safety (ACOHS) Angsana Mill which is approved by the Labor and Transmigration Agency based on Labor and Transmigration Agency Decision Letter No: 560/431/NAKER/2009, dated 13 April 2009. The ACOHS structure is as follows: Chairman: Yandi S (Factory Manager); Vice Chairman: Paimo; Secretary: Nanang; and other sections like the Occupational Safety Section, OHS Training Program Section, Occupational Health Section, Patrol Section, Environmental Section.</li> </ul> <p>There are records of ACOHS periodical meetings, for instance:</p> <ul style="list-style-type: none"> <li>- OHS meeting minutes, Gunung Sari Estate, on 12 March. The discussed materials, among others, are: the PPE use evaluation, OHS works program evaluation, and the existence of fire fighting team, fire fighting equipments, and their storage. The meeting minutes and Attendance list are available.</li> </ul>	√
MA	<p>Similar with PA</p> <p>The organization has created Guidance Committee for Occupational Health and Safety in each plantation and estate unit, which has clear tasks and responsibilities, and was validated by the Chief of Labor and Transmigration Agency of Tanah Bumbu Sub-District. Among others:</p> <ul style="list-style-type: none"> <li>- Labor and Transmigration Agency Decision Letter No. 560/498/NAKER/2010 for Mustika Estate.</li> <li>- Labor and Transmigration Agency Decision Letter on 20/01/2005 No. 560.04.I.295 for Bonati Estate.</li> </ul> <p>The organization has determined that the periodical meetings are to be held every three months. The last meeting was held on 20 August 2010 at Mustika Estate. The evidence of the meeting in forms of minutes and Attendance list are available on site.</p>	√

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S3		
S4		
<b>4.7.3</b>	<b>Provision for accident insurance for workers</b>	
PA	There is a work accident insurance for staff and employee, which is the JAMSOSTEK (Employee Social Security).	√
MA	Similar with PA.  Based on the Big Book of Employee Wages, there is evidence that the company has given insurance facility, including work accident insurance for all staff and employees in form of JAMSOSTEK.	√
S1		
S2		
S3		
S4		
<b>4.7.4</b>	<b>Regular health examination by a doctor for workers in station or exposed to high risk work.</b>	
PA	LSI has done periodical health examination for plantation workers (see indicator 4.6.6), but for mill workers at high risks stations, the health examination is not done yet.  <b>Non conformance of this indicator is NC-2010.17.</b>	X
MA	Periodical health check-up for workers in certain stations in the mill (boiler, genset, engine room) and on the plantation (spraying and fertilizing workers) which have high risks could be shown and realized by the company, with the exception of Angsana Mini Mill workers which was planned to be realized on October 2010-June 2011.  <b>Based on the details above NC-2010.17 is open.</b>	X
S1		
S2		
S3		
S4		
<b>4.7.5</b>	<b>A documented risk assessment for Occupational Health and Safety (OHS).</b>	
PA	There are records of risk assessment for the OHS program, among them are: - Hazard Identification, Risk Assessment and Risk Control Document ( <i>HIRARC</i> ), Angsana Estate. For instance: Type of work Fertilizer stacking; hazard identification miss stacking would collapse, slip and fall, inhaling fertilizer smell and dust; Risk bodily harm, broken bones, and laryngitis; Prevention action fertilized bags are stacked 10 bags per row, the arrangement is made in pairs, PPE should be used, wash hands/face after fertilizing activities; recommendation the recommended prevention should be simulated in the work area and SOP explanation and OHS implementation, routine dialog with employees.	√

	- Hazard Identification, Risk Assessment and Risk Control Document (HIRARC), Angsana Estate. For instance: Station Location Loading ramp; Potential Hazard struck by FFB when loading the fruits into the lorries, slipping/falling, entangled by rope, dust gets into eyes, exploding panels, not comprehending work techniques, Risks wound/injury, sprained, disability, until death; Recommendation wearing helmet, work shoes, making SOP, First Aid facility, installing danger signs and alarms, and work training.	
MA	Similar with PA.  There are records for the K3 program risk analysis in form of documents containing information about the type of activity, location of activity, types of risks, potential hazards and handling. For example, type of work removing and installing inner tires; potential dangers struck by levers, hit by hammer, caught on the tire, hitting the ring lock; risk leg or arm bruises, wounds, broken fingers, broken bones; SOP action plan, provide PPE, direction and affirmation; Medium risk category.	✓
S1		
S2		
S3		
S4		
<b>4.7.6</b>	<b>Record of Occupational Health and Safety Training.</b>	
PA	There are records of OHS training, among them are: - <i>Awareness OHSAS 18001:2007</i> Certificate on the behalf of Aoik Iskandar (Head of Administration Angsana Mill), which was conducted by PT Sintegral Mutu Utama, on 22 March 2010 - General OHS Expert Certificate Training on the behalf of Andrea Bubun (employee), which was conducted by the Labor and Transmigration Agency on 18 - 21 January 2010 - Tool Box Training document concerning the PPE Equipment for transportation workers, on 3 October 2009, held at Gunung Sari Estate, attended by 14 participants (foremen, operators, field assistants and clerks) - Fire Fighting Training, on 27 April 2010, attended by 20 participants.	✓
MA	Similar with PA The company has presented records of trainings related with Occupational Health and Safety (OHS), among them are: - <i>Awareness OHSAS 18001:2007</i> Certificate on the behalf of Aoik Iskandar (Head of administration Angsana Mill), which was conducted by PT Sintegral Mutu Utama, on 22 March 2010 - General OHS Expert Certificate Training on the behalf of Andrea Bubun (employee), which was conducted by the Labor and Transmigration Agency on 18 - 21 January 2010 - Tool Box Training document concerning the PPE Equipment for transportation workers, on 3 October 2009, held at Gunung Sari Estate, attended by 14 participants (foremen, operators, field assistants and clerks) - Fire Fighting Training, on 27 April 2010, attended by 20 participants. - Fire Fighting and Emergency Response Training conducted with the cooperation of the Tanah Bumbu District Fire Fighting Forces and First Aid Training conducted by the Central Polyclinic officers. The evidence of trainings are Attendance lists, and training materials are available.	✓
S1		
S2		
S3		
S4		

<b>4.7.7</b>	<b>Accident and emergency preparedness procedure.</b>	
PA	<p>There are procedure for emergency response and preparedness in form of Emergency Response Standby Procedures ASF/SOP.ESH/14, dated 8 April 2010. Consists of Chapters B and F concerning the Fire Fighting Efforts, Chapter H concerning Earthquake Disaster, Chapter E concerning Earthquake Disaster on the Work Area.</p> <p>There are evidence in forms of photographs and Attendance List showing that the company has done emergency response simulation on 27 April 2010.</p>	✓
MA	<p>Similar with PA</p> <p>There are documents of emergency response and preparedness, among them are:</p> <ul style="list-style-type: none"> <li>- Emergency Response Standby Procedures ASF/SOP.ESH/14, dated 8 April 2010</li> <li>- Fire Fighting No. 727/TQEM-ESH/10 dated 01 April 2010,</li> <li>- Potential Emergency Identification and Evaluation 724/TQEM-ESH/10 dated 01 April 2010,</li> <li>- Earthquake 746/TQEM-ESH/10 dated 01 April 2010,</li> <li>- Evacuation 726/TQEM-ESH/10 dated 01 April 2010,</li> <li>- Explosion Handling 728/TQEM-ESH/10 dated 01 April 2010,</li> <li>- Emergency Training 733/TQEM-ESH/10 dated 01 April 2010,</li> <li>- Preparedness and response and also emergency recovery 725/TQEM-ESH/10 dated 01 April 2010.</li> </ul>	✓
S1		
S2		
S3		
S4		
<b>4.7.8</b>	<b>Evidence OHS and first aid equipments available at worksites.</b>	
PA	<p>The organization has fire fighting equipment and First Aid kit at every plantation and mill unit. For instance:</p> <ul style="list-style-type: none"> <li>- Amount and types of Fire Fighting Equipments at Gunung Sari Estate, consisting of: 1 unit of Robin brand water pump, 50 meters of fire fighting hose, 100 metes of fibered plastic hose, 20 masks, 20 goni bags, 20 buckets, 1 unit of water trailer tank, 10 machetes, 10 shovels, 19 pairs of leather gloves, 8 tubes of fire extinguishers, 1 unit of truck for equipment and people transportation, and 1 unit of tractor.</li> <li>- First Aid Kits are available at strategic places and easily reached places, for instance at the estate office, workshop, and mill area.</li> </ul>	✓
MA	<p>Similar with PA</p> <p>There are OHS program in forms of fire extinguisher tubes, hydrant pumps, First Aid Kits and Personal Protection Equipment (PPE) distributed at each estate and mill. The amount and type of fire fighting equipments, among others are:</p> <ul style="list-style-type: none"> <li>- at Gunung Sari Estate, consisting of: 1 unit of Robin brand water pump, 50 meters of fire fighting hose, 100 metes of fibered plastic hose, 20 masks, 20 goni bags, 20 buckets, 1 unit of water trailer tank, 10 machetes, 10 shovels, 19 pairs of leather gloves, 8 tubes of fire extinguishers, 1 unit of truck for equipment and people transportation, and 1 unit of tractor.</li> <li>- First Aid Kits are available at strategic places and easily reached places, for instance at the estate office, workshop, and mill area.</li> <li>- at Pantai Bonati Estate and Mustika Estate, there are: 10 units of 6 kg fire extinguisher tubes, 10 units of 1 kg fire extinguisher tubes, 5 units of fire fighting hose, 1 unit of water trailer, 10 pairs of fireproof gloves, 10 smog masks and 10 helmets.</li> </ul>	✓
S1		
S2		
S3		
S4		



<b>4.7.9</b>	<b>Workers trained in first aid should be present in both field and mill operations.</b>	
PA	The organization has conducted First Aid training for employees on 5 May 2010, attended by 26 participants (mill staff, electrical foremen, kernel operator, safety officer, division clerk, harvesting foremen, and harvesting clerk).	✓
MA	The organization has provided First Aid training for employees, both plantation and mill. Among them, are: - First Aid Training on 5 May 2010, attended by 26 participants from the mill staff, electrical foremen, kernel operator, safety officer, division clerk, harvesting foremen, and harvesting clerk of the LSI unit. - First Aid Training on 18 June 2010, attended by 40 participants from the plantation staff, foremen, clerks, security guards, teachers, POM staff of the LSI unit. However, there is no evidence that the First Aid training is also implemented in the SHE unit.  <b>Non conformance of this indicator is Minor-2010.42.</b>	X
S1		
S2		
S3		
S4		
<b>4.7.10</b>	<b>Records of occurrence of any work accidents are maintained and regularly reviewed.</b>	
PA	There are records of work accidents in form of 'Work Accidents Monitoring' made routinely each month, informing the date of accident, kind of accident, name of victim, and work time lost. However, the records findings have not yet evaluated to avoid the same accidents from happening.  <b>Non conformance of this indicator is NC-2010.19</b>	X
MA	The company has records of Periodical evaluation results and action measures were taken to prevent the occurrence of the same type of work accidents. However, there is insufficient evidence that action were based on the problems causing the accident. Thus, the same type of accidents still happened. For example, thorn in palm cases in the LSI 2010: January (2 cases), February (2 cases), April (4 cases), May (3 cases), June (1 case).  <b>Based on the details above NC-2010.19 is closed, However NC-2010.43 is published.</b>	X
S1		
S2		
S3		
S4		
<b>4.8</b>	<b>All staff, workers, smallholders and contractors are appropriately trained.</b>	
<b>4.8.1</b>	<b>A documented training program for staff, employee and scheme smallholders in accordance to workers' positions and competence.</b>	
PA	There are training programs for staff (assistant, manager and general manager levels) written in the Training Calendar Minamas Plantation document of 2009-2010. Consisting from a number of things, which are: - Effective Leadership Training programmed on April 2010 - Self Development Strategy programmed on December 2009 and June 2010 - Counseling and Coaching Techniques for Managers programmed on August 2009 and May 2010.	X

	<p>Beside trainings from external parties, the company also conducted in house training done at Minamas Training Center located at Sukamandang, Central Kalimantan. However there is not enough evidence of program documentation.</p> <p><b>Non conformance of this indicator is CFA-2010.20.</b></p>	
MA	<p>The company has presented training programs for staff (assistant, manager and general manager levels) written in the Training Calendar Minamas Plantation document of 2009-2010. Consisting from a number of things, which are:</p> <ul style="list-style-type: none"> <li>- Effective Leadership Training programmed on April 2010</li> <li>- Self Development Strategy programmed on December 2009 and June 2010</li> <li>- Counseling and Coaching Techniques for Managers programmed on August 2009 and May 2010.</li> </ul> <p>The internal trainings (in house trainings) for staff and employees according to their work field have been written into a matrix of Training Identification and Human Resource Development Plan 2010/2011, covering the trainings that will be conducted, the training participants, the execution timeframe, and the training location. The matrix has covered the in house training program that will be held by Minamas Training Center located at Sukamandang, Central Kalimantan.</p> <p><b>Based on the details above CFA-2010.20 is closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.8.2</b>	<b>Records of training for each employee are kept.</b>	
PA	<p>There are records of training for each employee in the form of Employed Training History General, for instance:</p> <ul style="list-style-type: none"> <li>- Training type Supervisory Management; on the behalf of Andi Muhtar; Position Assistant; Training Date 13 January 2010; training duration 16 hours.</li> <li>- Training type Counseling and Coaching Techniques for Manager; on the behalf of Dodik Prayitno; Position Mustika Estate Manager; Training Date 17 March 2010; training duration 16 hours.</li> </ul>	√
MA	<p>Similar with PA</p> <p>There are records of training for each employee in the form of Employed Training History General, for instance:</p> <ul style="list-style-type: none"> <li>- Training type Supervisory Management; on the behalf of Andi Muhtar; Position Assistant; Training Date 13 January 2010; training duration 16 hours</li> <li>- Training type Counseling and Coaching Techniques for Manager; on the behalf of Dodik Prayitno; Position Mustika Estate Manager; Training Date 17 March 2010; training duration 16 hours</li> </ul>	√
S1		
S2		
S3		
S4		
<b>4.8.3</b>	<b>Evidence that the company uses experienced or trained contractors.</b>	
PA	<p>The company has an open contractor selection mechanism, which among others requires that the contractors have experience within the designated work field and that the contractors comply with the occupational safety regulation.</p>	√

MA	<p>Similar with PA</p> <p>The company has an open contractor selection mechanism, which among others requires that the contractors have experience within the designated work field and that the contractors comply with the occupational safety regulation. In addition, the company also presented training records followed by staff and employees including contractors. For instance the PPE use training for FFB transportation contractors.</p>	✓
S1		
S2		
S3		
S4		
<b>PRINCIPLE # 5 Environmental responsibility and conservation of natural resources and biodiversity</b>		
5.1	<b>Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.</b>	
5.1.1	<b>Documented impact assessment.</b>	
PA	<p>The organization has an environmental document in each unit, in forms of:</p> <ul style="list-style-type: none"> <li>- Environmental Management and Monitoring Plan document (RKL/RPL) validated by the Central AMDAL Commission Chairman on the behalf of Minister for Forestry No. 154/Menhut-II/2000 dated 26 December 2000. Covering the plantation area of 40,000 ha (12,000 ha core area and 28,000 ha plasma area) and 2 mill units with capacity of 60 ton FFB/hour</li> <li>- Environmental Management Efforts (UKL), Environmental Control Efforts (UPL) approved by the Central AMDAL Commission No. 191 of 1999 dated 22 September 1999, covering palm plantation area of 6,095 hectare and Palm Oil Mill with capacity of 30 ton FFB/hour.</li> </ul> <p>As examples, the RKL/RPL document identifies 7 impacts (positive/negative) which might occur due to the company activities, which are:</p> <ol style="list-style-type: none"> <li>1. The decrease of water quality in the rivers Bakarangan and Sebamban due to the mill;</li> <li>2. Social unrest due to the discrepancy of compensation in land release process;</li> <li>3. Opening job opportunities and business opportunities;</li> <li>4. The potential of forest/land fires;</li> <li>5. The occurrence of erosion;</li> <li>6. The decrease of air quality and the occurrence of noise;</li> <li>7. The change of community attitude and perception.</li> </ol> <p>However, the company could not present the environmental impact analysis revision document in connection with the LSI mill capacity upgrade from 45 ton FFB/hour to 60 ton FFB/hour.</p> <p><b>Non conformance of this indicator is NC-2010.21.</b></p>	X

MA	<p>The company has shown AMDAL documents for the SHE plantation and mill validated by the Central AMDAL Commission Chairman on the behalf of the Minister for Forestry No. 154/Menhut-II/2000 dated 26 December 2000. Covering the plantation area of 40,000 ha (12,000 ha core area and 28,000 ha plasma area) and 2 mill units with capacity of 60 ton FFB/hour; and also the AMDAL documents for the LSI plantation and mill validated by the AMDAL/UKL/UPL Commission of Tanah Bumbu District No. 660/32/Bapedalda/10 dated 26 July 2010 covering 6,127 ha.</p> <p><b>Based on the details above, NC-2010.21 is closed.</b></p>	✓
S1		
S2		
S3		
S4		
<b>5.1.2</b>	<b>Records of regular report on environmental management in accordance to relevant regulations.</b>	
PA	<p>The company has shown documents of RKL/RPL Implementation Report until period II (July-December 2009). However the report substance has not fully refer to the valid UKL/UPL 1999 document which among others, have not presented a measured management result towards: (1) physical properties changes and the land erosion rate; (2) land fire potential; (3) disturbance towards biodiversity; and (4) social unrest/conflict.</p> <p><b>Non conformance of this indicator is NC-2010.22.</b></p>	X
MA	<p>Records of environmental management reporting are available in form of RKL/RPL implementation reports made periodically every semester. Based on the sending receipts on 6 November 2009, the company has given RKL/RPL report for January-June 2009. For 2010, the company has composed a Draft of Environmental Management Implementation and Environment Monitoring Plan Report for January-June 2010 which covers 7 sources of impacts (positive/negative) as written on the RKL/RPL report validated by the Central AMDAL Committee on the behalf of the Minister for Forestry No. 154/Menhut-II/2000 dated 26 December 2000.</p> <p>However, the company should revise the RKL/RPL submit mechanism so that it can be more timely. In that perspective, the auditor feels necessary to publish a recommendation (See CFA-2010.44).</p> <p><b>Based on the details above, NC-2010.22 is closed, However CFA-2010.44 is published.</b></p>	X
S1		
S2		
S3		
S4		
<b>5.1.3</b>	<b>Revisions to environmental management documents if there are changes in companies operating areas or activities.</b>	
PA	<p>There was a capacity change in the LSI mill from 45 ton FFB/hour to 60 ton FFB/hour, however, the UKL/UPL was not revised.</p> <p><b>Non conformance of this indicator is NC-2010.21.</b></p>	X

MA	<p>The company has composed the ANDAL 2010 document for the LSI plantation and mill to replace the UKL/UPL 1999 document, which covers the plantation area of 6,077 ha and mill with a capacity of 60 ton FFB/hour. The ANDAL document was validated by the AMDAL/UKL/UPL Commission of Tanah Bumbu District No 60/32/Bapedalda/10 dated 26 July 2010.</p> <p>See the explanation in Major Indicator 5.1.1 above.</p> <p><b>Based on the details above NC-2010.21 is closed.</b></p>	√
S1		
S2		
S3		
S4		
5.2	<p><b>The status of rare, threatened or endangered species and high conservation value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and their conservation taken into account in management plans and operations.</b></p>	
5.2.1	<p><b>Records of results of identification of any protected, rare, threatened or endangered species, and HCV habitat.</b></p>	
PA	<p>The company has identified the existence of species and areas with high conservation values in form of HCVA (High Conservation Value Area) document composed by a third party (PT POLLITO).</p> <p>Based on that study results, there are a number of High Conservation Value (HCV) points within the company work area. For instance the riparian which is in the criteria of HCV 1 and HCV 4.</p> <p>There are also a number of protected species, which are: 17 types of birds (black eagle - <i>Ictinaetus malayensis</i>, Blue-eared Kingfisher - <i>Alcedo meninting</i>), 4 types of mamals (plantain squirrel - <i>Callosciurus nolatus</i>, large treeshrew - <i>Tupaia tana</i>, crab-eating macaque - <i>Macaca fascicularis</i>), and 1 type of reptile (water monitor lizard - <i>Varanus salvator</i>).</p> <p>In relation to the HCV identification results above, there are evidence that the company has conducted public consultation on 6 January 2010, however it did not involve any environmental and social NGO, research and/or college institute as required by the HCV Habitat Identification Guidelines in Indonesia published on June 2008.</p> <p><b>Non conformance of this indicator is CFA-2010.23.</b></p>	X
MA	<p>Similar with PA</p> <p>Based on the HCV Identification Final Report January 2010, within the company area there are HCV habitats as follows:</p> <p>1. In an area of 444.19 ha in the SHE area consists of HCV 1.1 - areas with supporting function for biodiversity; HCV 1.4 - temporary habitat for species; HCV 4.1 - water source and flood management areas; HCV 4.3 - natural partition for fire prevention; and HCV 6 - important area for the culture identity of local community.</p> <p>There are also protected species based on Act No. 7 of 1999 and IUCN, which among others are: 17 types of birds (black eagle - <i>Ictinaetus malayensis</i>, Blue-eared Kingfisher - <i>Alcedo meninting</i>), 4 types of mamals (plantain squirrel - <i>Callosciurus nolatus</i>, large treeshrew - <i>Tupaia tana</i>, crab-eating macaque - <i>Macaca fascicularis</i>), and 1 type of reptile (water monitor lizard - <i>Varanus salvator</i>).</p>	X

	<p>2. In the LSI plantation, there is no protected, sparse or rare species. However, it was identified that there are HCV 1.1 - areas with supporting function for biodiversity (riparian) and HCV 4.1 - water source and flood management areas (riparian). The organization has composed HCV management plan referring to the HCV Identification Results documents. However, there is not enough evidence that the HCV identification has involved all the related parties, including the Independent Community Agency.</p> <p>The MUTU Auditor has received an explanation from the Pollito HCV identification team, where most of the executive team came from NGOs as an effort to fulfill the needs of NGO opinion. Unfortunately, after studying the CVs of the members of AIP HCV identification team, the claim has not been proven.</p> <p><b>Based on the details above, CFA-2010.23 is declared open.</b></p>	
S1		
S2		
S3		
S4		
<b>5.2.2</b>	<b>If, rare, threatened or endangered species, or high conservation value habitats are present, appropriate measures to preserve them are to be taken.</b>	
PA	<p>There are a number of recommendation written in the HCV Identification Results document that has to be done by the organization to manage and monitor HCV areas and protected species within the company work area, namely: installing sign board, maintaining buffer zone, marking the boundaries of buffer zone, and socialize the HCV related things to workers via Assistants and Foremen in every morning briefing.</p> <p>HCV management and monitoring plan document was provided on site, which contains information of: location; HCV attribute analysis; management plan; monitoring plan; management timeframe; and target deadline.</p>	✓
MA	<p>Similar with PA</p> <p>There are a number of recommendation written in the HCV Identification Results document that has to be done by the organization to manage and monitor HCV areas and protected species within the company work area, namely: installing sign board, maintaining buffer zone, marking the boundaries of buffer zone, and socialize the HCV related things to workers via Assistants and Foremen in every morning briefing.</p> <p>HCV management and monitoring plan document was provided on site, which contains information of: location; HCV attribute analysis; management plan; monitoring plan; management timeframe; and target deadline.</p> <p>To protect identified species and HCV areas: HCV 1 (1.1; 1.4), HCV 4 (4.1; 4.3) and HCV 6, the followings should be done: boundary marking, sign board installation, construction of permanent plot for wild animals and vegetation, planting trees which act as water reservoir and animal nesting place, construction of erosion observation plot, palm midrib stacking on sloping areas. Finishing deadline December 2010.</p> <p>HCV 6 management program, among others are: creating management work units, composing planning document, composing HCV 6 management SOP, socializing HCV 6 existence, participative marking HCV 6 boundaries, installing boundaries pole, rehabilitation. Deadline target July 2010.</p> <p>Another effort done was the tree planting to enrich the buffer zone with mahogany and rosewood (<i>Dalbergia sp</i>) done in May and June 2010 for as much as 252 trees.</p>	✓

S1		
S2		
S3		
S4		
<b>5.2.3</b>	<b>Steps to be done to protect rare or endangered species and their habitat has to comply with the regulation and includes activities controlling illegal and unlawful hunting, fishing, or harvesting.</b>	
PA	See indicator 5.2.2 above.  The company has done steps to preserve rare or endangered species and their habitats. For instance: boundary marking, sign board installation, construction of permanent plot for wild animals and vegetation, planting trees which act as water reservoir and animal nesting place. Completion target December 2010. In a number of spots, there were sign boards to not catch fish with electrocution and poisoning and a hunting ban for protected species.	√
MA	A number of steps done to preserve protected species and HCV have been done, among them are: installing hunting ban sign boards and buffer zone markings. The hunting ban sign boards can be found in Block Q29 (HCV 4.1), P-18-19 (HCV 4.1). Poisoning and electrocuting prohibition was found in Block L-006 (tidal area), N-47,48 (Setarap river) SHE plantation; and B36, B35, A31, A28, D25, D21 LSI plantation (buffer zone of Sebamban creeks). On the same spots were also found HCV management area boundaries markings in form of circular yellow paint on the core plants (palm) along side the boundary lines. The company has presented tally sheet of fauna monitoring results, especially those within the HCV area. Based on the HCV Management program, the company plans on monitoring fauna species routinely each year.	√
S1		
S2		
S3		
S4		
<b>5.2.4</b>	<b>Posters and signs warning of the Attendance of protected species are to be produced, distributed, and made visible to all workers and the community, including guidelines in handling them.</b>	
PA	The company has installed a number of sign board, but they haven't include specifically the protected species and there is no evidence of publication and socialization towards the employees or the community in handling protected species.  <b>Non conformance of this indicator is CFA-2010.24</b>	X
MA	See indicator 5.2.3 above.  A number of steps done to preserve protected species and HCV have been done, among them are: installing hunting ban sign boards and buffer zone markings. The hunting ban sign boards can be found in Block Q29 (HCV 4.1), P-18-19 (HCV 4.1). Poisoning and electrocuting prohibition was found in Block L-006 (tidal area), N-47,48 (Setarap river) SHE plantation; and B36, B35, A31, A28, D25, D21 LSI plantation (buffer zone of Sebamban river). On the same spots were also found HCV management area boundaries markings in form of circular yellow paint on the core plants (palm) along side the boundary lines.	√



	<p>The company has socialized the HCV existence to the foremen and employees on 30 June 2010 attended by 13 personnel, and on 11 June 2010 attended by 12 personnel. While for LSI, on 30 September 2010, the company invited a team from BKSDA South Kalimantan to socialize the existence of protected species and HCV areas, which was attended by 80 people. The socialization materials among others are: (1) The directive on areas not to be sprayed with chemicals, (2) an appeal to protect and preserve HCV areas which give benefits to the surrounding community, (3) an appeal to not poison fish, and (4) an appeal to preserve HCV areas as a future source of livelihood</p> <p><b>Based on the details above CFA-2010.24 is closed.</b></p>	
S1		
S2		
S3		
S4		
<b>5.2.5</b>	<b>Companies are to appoint dedicated and trained officers to monitor any plans and activities as above.</b>	
PA	There is a GSE Manager Letter No. GSE-Int/264/IV/2010 dated 19 April 2010, concerning the Appointment of Mr. Agus Hariadi as Special Official to supervise the plans and activities of HCV and protected species monitoring and management.	√
MA	<p>The organization has stated a foreman for each estate to supervise the plans and activities of HCV and protected species monitoring and management. For instance: Mr. Indarto as the HCV management foreman of SHE and Mr. Agus Hariadi as the HCV management foreman of LSI.</p> <p>There are evidence that they followed the Technical Workshop on HCV management at Angsana Estate held by MRC (Minamas Research Center) on 16-17 June 2010 which was attended by 62 participants of the foremen, staff and manager levels from LSI and SHE plantation units.</p>	√
S1		
S2		
S3		
S4		
<b>5.3</b>	<b>Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</b>	
<b>5.3.1</b>	<b>All waste and pollutions sources are identified and documented</b>	
PA	<p>The company has not shown documents of waste, pollution and emission sources identification results.</p> <p><b>Non conformance of this indicator is NC-2010.25.</b></p>	X
MA	<p>The company has shown hazardous waste sources identification results document. The identification results are as follows:</p> <ul style="list-style-type: none"> <li>- Solid waste: empty bunch (22-24% from processed FFB), fiber (12-14% from processed FFB), shells (6-7% from processed FFB), and boiler ash from the CPO production process at the mill.</li> <li>- Liquid waste: 60% from processed FFB in the mill.</li> <li>- Hazardous waste in forms of used gloves, majun rags, used battery, neon bulbs, chemical packaging, cartridges, toners are produced from all kinds of plantation and mill activities.</li> </ul> <p><b>Based on the details above NC-2010.25 is closed.</b></p>	√



S1		
S2		
S3		
S4		
<b>5.3.2</b>	<b>Estates and mills waste management and disposal are implemented to avoid or reduce pollution.</b>	
PA	The waste treatment plan is documented in the form of hazardous and Non hazardous Waste Treatment SOP No.RA012/ASF/SOP.ESH/10, 12 April 2010 for Angsana Factory; and SOP No.RSPO/5.3/PLB3&BB3.	√
MA	The waste treatment plan is documented in the form of Hazardous and Non Hazardous Waste Treatment SOP No.RA012/ASF/SOP.ESH/10, 12 April 2010 for Angsana Mill; and SOP No.RSPO/5.3/PLB3&BB3 for Angsana Mini Mill and SHE plantation which regulates the waste treatment as follows: - solid waste used for land application (for instance: empty bunch), for boiler fuel material (for instance: fiber, shells), for stacking on vacant land (for instance: boiler ash). Example: In the period July 2009 - June 2010,empty bunch applications has been made in Pantai Bonati Estate (6144.10 tons for an area of 232.68 ha) and KKPA-1 (as much as 11,429 tons for an area of 266 ha). The company targeted empty bunch for as much as 40 tons/ha. -Liquid waste treatment plant is used for land application in the garden. -Air pollution is taken care of by routine servicing (for instance generators), and -Hazardous waste should be sold of or destroyed.	√
S1		
S2		
S3		
S4		
<b>5.3.3</b>	<b>Management plan of hazardous waste and instruction of disposal of agrochemicals and their containers waste in accordance to the product label and existing regulations.</b>	
PA	There is pesticide packing procedures in forms of Hazardous and Non Hazardous Waste Treatment SOP No.RSPO/5.3/PLB3&BB3. However within the procedures there is no information on the storage of pesticide packaging according the valid regulation.  <b>Non conformance of this indicator is CFA-2010.16.</b>	X
MA	On site, there is the Palm Oil Mill Waste Treatment Plan (RSPO/5.3/PLB3&BB3) and Hazardous and Non Hazardous Waste Treatment SOP No. RA 012 dated 01 April 2010, 21 pages, which regulates the hazardous waste treatment plan. Both SOP contain the information of waste type, treatment plan, treatment timeframe, including the planning of hazardous waste treatment plan by selling it to licensed parties or by destroying it. To perfect the procedures and implementation, recommendation number CFA-2010.45 is published so that the company would post the temporary storage time for waste in the warehouse Liquid hazardous waste (e.g. used oils) is stored into closed containers (drums). While the hazardous packaging waste is stored by first destroying it for easier storage and for avoiding dangerous utilization. Hazardous waste selling is done to licensed parties (one of which is CV.Nazar - the licensed buyer based on the Minister for Environmental Affairs Decision No 513 of 2008 dated 7 August 2008). Before being sold or destroyed, the Hazardous waste is stored in the temporary warehouse in each plantation unit (LSI and SHE).	X

	<p>For medical waste, a cooperation for medical waste destruction with Ulin Banjarmasin Hospital with the cooperation agreement number 001/RS-MGG/Limbah.M/VII/2010 and 660/3147/Kum-Inf/RSUDU between PT.Minamas Gemilang Group (LSI, SHE, BSS, SWA, LM, PPS, LMM, ITT, KLR, and TGS) and Ulin Banjarmasin Regional General Hospital.</p> <p>The LSI temporary warehouse permit is available, which is the Head of Tanah Bumbu District Decision Letter No. 65 of 2010 dated 13 January 2010 regarding the Hazardous Waste Temporary Storage, valid for 5 years. The warehouse coordinate is 03 36 43.7 South Latitude and 115 26 35,3 East Longitude. While the LSE temporary warehouse permit is still in process.</p> <p><b>Based on the details above, CFA-2010.26 is closed. However, CFA-2010.41 and CFA-2010.45 are published.</b></p>	
S1		
S2		
S3		
S4		
<b>5.3.4</b>	<b>Records of waste monitoring / analysis</b>	
PA	On site there are records of Used Oil and Hazardous Waste Storage Monitoring which covers information of: acceptance date, waste source, the amount accepted, discharge and stock. Until April 2010, there is used oil stock of 2,171 liter.	✓
MA	<p>Similar with PA</p> <p>On site there are records of Used Oil and Hazardous Waste Storage Monitoring which covers information of: acceptance date, waste source, the amount accepted, discharge and stock.</p> <p>Mill: There are Monthly Fiber and Shell Use for Boiler Fuel (January-September 2010) documents which contain information of processing date, total processing hour, produced fiber/shell, boiler use, and leftovers.</p> <p>Estate: There are Warehouse Helper Cards to record the waste, which contains information of the incoming and outgoing amount, and leftovers. E.g. at Pantai Bonati Estate, until September 2010 there are leftovers of used oil 238.5 liter.</p> <p>The organization sells used oil to CV Nazar (waste Oil Collection), license holder according to Minister for Environmental Affairs Decision No. 513 of 2008 dated 7 August 2008, valid for 2 (two) years. Based on Cash Voucher dated 23 April 2010, it is known that the last oil sale to CV Nazar was as much as 4 drums from Pantai Bonati Estate, but it was not listed in the Warehouse Card.</p>	✓
S1		
S2		
S3		
S4		
<b>5.4</b>	<b>Efficiency of energy use and use of renewable energy is maximized.</b>	
<b>5.4.1</b>	<b>Records of monitoring of renewable energy use and its efficiency analysis (energy / ton CPO or energy / ton palm product).</b>	
PA	Monitoring results of renewable energy and diesel fuel usage in the CPO production process is available on site. However the efficiency level has not been evaluated. <b>Non conformance of this indicator is NC-2010.26.</b>	X

MA	<p>The organization has provided Monthly Renewable Usage Records, in forms of matrix and graphs, which gives information on the type of energy used (fiber and empty bunch) and the amount of usage for each ton processed FFB.</p> <p>For example: for Angsana Mini Mill, July 2009-June 2010 used 0.56 ton (empty bunch and fiber) per ton processed FFB.</p> <p><b>Based on the details above NC-2010.26 is declared closed.</b></p>	✓
S1		
S2		
S3		
S4		
<b>5.4.2</b>	<b>Records of monitoring of fossil fuels use for operational reason and its efficiency analysis.</b>	
PA	Monitoring results of renewable energy and diesel fuel usage is not available. See indicator 5.4.1 above.	X
MA	<p>The organization has provided Monthly Fossil (Diesel) Fuel Usage Records, in forms of matrix and graphs, which gives information on the type of energy used and the amount of usage for each ton of processed FFB.</p> <p>Example: for Angsana Mini Mill, July 2009-June 2010 used 24.01 liter/ton processed FFB.</p> <p><b>Based on the details above NC-2010.26 is closed.</b></p>	✓
S1		
S2		
S3		
S4		
<b>5.5</b>	<b>Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>	
<b>5.5.1</b>	<b>Documented assessment where fire has been used for preparing land for replanting.</b>	
PA	The company has a zero burning policy (land opening without burning) written on the land opening procedures. The policy is confirmed with the HPO (Head Plantation Office) Memorandum regarding Monsoon Season Anticipation and Preparation against the Dangers of Fire.	✓
MA	<p>Similar with PA</p> <p>The company has a zero burning policy (land opening without burning) written on the Land Opening Procedures SOP Section 3 Policy No. 110/EST-ARM/08. The policy is confirmed with the HPO (Head Plantation Office) Memorandum No. POD-UM-0065/VI/2008 regarding Monsoon Season Anticipation and Preparation against the Dangers of Fire.</p>	✓
S1		
S2		
S3		
S4		

<b>5.5.2</b>	<b>Records of implementation of zero burning policy.</b>	
PA	See indicator 5.5.1 explanation above - The company has a zero burning policy (land opening without burning) written on the land opening procedures. The policy is confirmed with the HPO (Head Plantation Office) Memorandum regarding Monsoon Season Anticipation and Preparation against the Dangers of Fire.	✓
MA	Similar with PA - The company has a zero burning policy (land opening without burning) written on the Land Opening Procedures SOP Section 3 Policy No. 110/EST-ARM/08. The policy is confirmed with the HPO (Head Plantation Office) Memorandum No. POD-UM-0065/VI/2008 regarding Monsoon Season Anticipation and Preparation against the Dangers of Fire.  The company has Land Fire Monitoring Reports done by the HPO, until 2010; there is no land fires within the company work area.	✓
S1		
S2		
S3		
S4		
<b>5.5.3</b>	<b>Procedures and records of emergency responses to land burning (Tanggap Darurat Kebakaran Lahan)</b>	
PA	There are photographs showing that the organization has done Land Fire Emergency Response Simulation, however there is no record of the activity.  <b>Non conformance of this indicator is NC-2010.27.</b>	X
MA	There are SOP regarding fire, the Fire Prevention SOP Doc: 730/TQM-ESH/10 dated 01 April 2010, and Fire Fighting SOP Doc: 727/TQEM-ESH/10 dated 01 April 2010. The company has also conducted fire fighting training in the plantation area whose manual is recorded in the PH 4004 document dated 01 April 2010. The training was held at Angsana Estate Sports Center on 08 July 2010 which was instructed by the Tanah Bumbu District Fire Fighting Squad. The training was attended by all units in the plantation area (Unit and Plasma) with a total of 80 participants. This event is recorded in the Fire Fighting Training News Event document. The company have also mapped water pockets within the plantation area and also fire-prone areas. The fire prone areas are mostly areas with housing complex as possible fire sources. While on the plantation area, there is no fire prone area identification due to the closely knit trees and there is no history of forest and land fire around LSI.  <b>Based on the details above NC-2010.27 is closed.</b>	✓
S1		
S2		
S3		
S4		
<b>5.5.4</b>	<b>Attendance of appropriate fire extinguishers and facilities, depending on the risks assessment.</b>	
PA	On site there are facilities and infrastructure for land fire fighting, among them are: (1) The Fire Fighting Organization (Emergency Response Team ) for the estate and mill levels, each is led by Asfar Almahdaly (Angsana Mill), Andreas Bubun (Gunung Sari Estate), and Syahnan (Angsana Estate). (2) Fire fighting equipment such as water-pump, water trailer, flapper, and fire hose. (3) Water sources identification result, such as the ones in blocks C-22, E-22, G-18. C-31, and AO-23.	X

	<p>However, the number and kinds of facilities and infrastructures owned have not yet been determined through a necessity analysis evaluation according to levels of vulnerability against fire.</p> <p><b>Non conformance of this indicator is CFA-2010.28.</b></p>	
MA	<p>Similar with PA.</p> <p>On the site, there are facilities and infrastructure of land fire prevention, among others:</p> <ul style="list-style-type: none"> <li>- firefighting equipment in the form of fire extinguisher tube, Tohatsu pump, hydrant, water trailers with a capacity of 2500 liters, and fire hoses contained in each estate and factories.</li> <li>- The identification of areas prone to fires in the form of 'fire-prone map' for the garden and plant.</li> <li>- The identification of areas of water resources in the plantation in the form of 'map of water pockets' for plantation and mill, whole location are scattered in several points around the plantation.</li> <li>- Emergency response team (ACOHs) for plantation and mill level.</li> </ul> <p>The company has also provided monitoring records of fire extinguisher existence that contains the type, quantity, numbering and condition of fire extinguisher. Monitoring the quality of fire extinguisher is conducted every month. For example:</p> <ul style="list-style-type: none"> <li>- Summary of July 2010; available extinguisher 37 units, hydrant 8 units, good condition.</li> <li>- Summary of August 2010; available extinguisher 39 units, hydrant 8 units, good condition.</li> <li>- Summary of September 2010; available extinguisher 54 units, hydrant 8 units, good condition.</li> </ul> <p>However, the analysis, which ensures that the number and types of facilities and infrastructure are determined based on analysis of needs according to the vulnerability level, has not been found.</p> <p><b>Based on the details above, CFA-2010.28 is open.</b></p>	X
S1		
S2		
S3		
S4		
<b>5.6</b>	<b>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</b>	
<b>5.6.1</b>	<b>Evidence of identification of pollution and emissions sources at mills.</b>	
PA	<p>Not available.</p> <p><b>Non conformance of this indicator is NC-2010.25.</b></p>	X
MA	<p>There is a Waste Sources Identification document at the mill, including emission and pollution sources. Sources of air pollution: boiler, genset, and vehicles muffler. Sources of effluent are Heavy Phase and Condensate Sterilizer with 60% from the total FFB processed. Kinds of solid waste: hollow wood, fibre, shells, and boiler ash. Kinds of effluent: mill waste from heavy phase and condensate sterilizer. Kinds of Hazardous and Poisonous Materials: used oil, grase, laboratory chemical washing water, used leather gloves, used majun cloth, used battery, used neon bulbs, chemical packaging, used cartridge, used toner.</p> <p><b>Based on the details above, NC-2010.25 is declared closed.</b></p>	✓

S1		
S2		
S3		
S4		
<b>5.6.2</b>	<b>Monitoring of pollution and emission quality of the sources identified.</b>	
PA	<p>There are results of monthly quality monitoring of air emissions and noise in LSI factory environment. Monitoring is carried out at several stations, among others: Nut station, kernel station, boiler station, engine room station, and thresher station. Tests conducted by the Hiperkes and Occupational Safety Center. While the waste water testing is conducted by the Industrial Research and Standards Center every six months.</p> <p>Details of emissions quality measurement results are the attachment of the RKL/RPL Implementation Report. However, it is not yet available for SHE Mini Mill.</p> <p><b>Non conformance of this indicator is NC-2010.25.</b></p>	X
MA	<p>There is evidence that the Organization has been monitoring the intensity of noise in the work environment, Ambient Air Quality Testing, Air Quality Work Environment. All testing was conducted by the Hiperkes (Company Hygiene, Occupational Health and Safety) Center and the Labor and Transmigration Agency of South Kalimantan. The testing is done every 6 months. The last test was conducted on 25 June 2010. Locations of Work Environment Noise Intensity Testing consist of the Mill Office, Loading Ramp Station, Press Station, Engine Room Station, and Boiler Station. The test results showed that noise levels at the Press station, Engine Room, and the boiler is higher than the NAB (Minister for Labor Decision No. 51/MEN/1999 regarding Physics Threshold Values). The company has instructed the operator to use earplugs at that location. Location of Ambient Air Quality Test is the back of the factory (mill), the Front of the factory (mill). The test results showed that it is lower than BM (Quality Standards) in accordance with Governor Regulation of South Kalimantan No. 053 of 2007 regarding Ambient Air Quality Standards and Noise Level Standard.</p> <p>Location of Work Environment Air Quality testing was in the factory. The test results (25 June 2010) showed that the noise is higher than the NAB in accordance Minister for Labor Decision No. 51/MEN/1999 regarding Physics Threshold Values. All emissions quality monitoring has been implemented in LSI factory and SHE.</p> <p><b>Based on the details above, NC-2010.25 is closed</b></p>	√
S1		
S2		
S3		
S4		
<b>5.6.3</b>	<b>Records of efforts and strategies employed to reduce pollution and emissions.</b>	
PA	<p>A number of emission measurements showed a higher condition surpassing the NAB (Threshold Value) - Minister for Environmental Affairs Decision No. 51/MEN/1999, for instance the noise intensity measurement in June 2009 as follows: noise in the nut station (102.8 dBA), the kernel plant station (97.1 dBA), the boiler station (92.6 dBA), the engine room station (101.7 dBA), and the thresher station (86.9 dBA), while NAB maximum noise is 85 dBA. Efforts are made to reduce the noise impact, written in the Noise SOP (13 April 2010), namely using ear plugs. However, its implementation record has not been demonstrated.</p>	√

MA	Similar with PA On site there is a Noise SOP No. ASF/SOP.ESH/06 dated 13 April 2010 which explains the actions taken to reduce and/or to control emission. For instance, to reduce noise, it is imperative to use ear plugs. However, its implementation record has not been demonstrated.	✓
S1		
S2		
S3		
S4		
<b>5.6.4</b>	<b>Records of identification, monitoring, and treatment methodology for POME.</b>	
PA	The company has final effluent treatment procedures, where the effluent produced is treated via aerob-anaerob process before being used for land application in the palm plantation - using 8 (eight) treatment pond as follows: 1 unit cooling pond, 1 unit mixing pond, 4 unit an-aerobic pond, 1 unit aerobic pond, and 1 unit application pond. The implementation and monitoring records have been presented.	✓
MA	Records of implementation results can be seen in the RKL/RPL report with application area of 249 Ha and effluent application which is distributed in zone 1 is 72 tons/hour, zone 2 71 tons/hour and zone 3 67 tons/hour. Zone 3, the farthest, is 8 km far from the applications pond pump. POME usage reports Conclusion can also be seen on the daily reports of factory production, one of which describes the waste generated and applied to other purposes. For example, fiber waste used as fuel produced from the production process: 13% used as fuel, the remaining 10% is stored in one area as waste. While the shell is 6% of the production process is reused as fuel and the remaining 1% is sold.	✓
S1		
S2		
S3		
S4		
<b>PRINCIPLE # 6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>		
<b>6.1</b>	<b>Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.</b>	
<b>6.1.1</b>	<b>Documented environmental and social impact assessment, including details of positive and negative social effects that may be caused by plantations and mills, and documented participation of affected parties and local communities.</b>	
PA	There are 2 (two) types of documents that identify the social impact of the activities of oil palm plantations and factories, namely the document UKL / UPL; and Social Impact Assessment Document (January 2010) carried out by POLLITO, among other associated companies to inform social risk factors, and socio-economic risk factors in the community. However, both documents are still standing on its own. There is no documented action plan to combine both documents so that it can be a guide for management and monitoring of the identified impacts.  <b>Non conformance of this indicator is NC-2010.29.</b>	X



MA	<p>There are 2 (two) types of documents that identify the social impact of the activities of oil palm plantations and factories, namely the document UKL / UPL, and document the results of the Social Impact Assessment (January 2010) for each plantation unit (LSI and SHE) carried out by POLLITO, among others, aims to:</p> <p>(1) Measure the important impact of socio-economic activities of the company towards society.  (2) Identify the initial hue social environment,  (3) Describe a significant impact on community economic enterprise,  (4) analyze the possibility of controlling and enhancing positive impacts,  (5) Monitor the implementation of development and operating company.</p> <p>The action plan for monitoring the social environment in an integrated manner outlined in the report Implementation of RKL / RPL 2010, and includes the effects of the issue of opening employment opportunities, and changes in attitudes and perceptions in the society as described in the approved RPL document.</p> <p><b>Based on details above, NC-2010.29 is closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>6.1.2</b>	<b>Regular monitoring and management of social impact, with the participation of local communities.</b>	
PA	<p>On site, there are records of management and monitoring plans for the social impact as outlined in the RKL and RPL documents for each plantation and factory units. The management and monitoring plan for the social impact is also presented in the form of Management Recommendations contained in the Social Impact assessment results 2010 document.</p>	√
MA	<p>The management plan and monitoring of social impacts outlined in the document RPL (Environmental Monitoring Plan) and RKL (Environmental Governance Plan) which was approved by the Minister for Forestry and Plantations No. 154/menhut-II/2000 dated 26 December 2000, among others, include (1) social unrest due to compensation discrepancy in land acquisition activities, (2) The opening of job opportunities and business opportunity, and (3) Changes in attitudes and perceptions in the society.</p> <p>The evidence shows that the management of social impacts has involved the community (the parties) is shown by the Visum book that informs parties visited for questioning, meeting time, and the materials discussed. Visum book is an integral part of Social Impact Assessment Report in 2010 on the LSI and SHE.</p>	√
S1		
S2		
S3		
S4		
<b>6.1.3</b>	<b>Results of revisions to the environmental management document that encompasses social impact assessment in the event there are changes to company's operational scope, in accordance to existing regulations.</b>	
PA	<p>The company could not present the revised document of environmental impacts analysis in relation to the LSI Mill Capacity change from 45 ton FFB/hour to 60 ton FFB/hour.</p> <p><b>Non conformance of this indicator is NC-2010.21.</b></p>	X



MA	The organization has presented the revised ANDAL document validated by the Tanah Bumbu District AMDAL Commission No. 32 DUK No. 660/32/BAPEDALDA/10 dated 26 July 2010 covering the plantation and 60 ton/hour mill. Based on the study results of the revised ANDAL document and the Social Impact Assessment document, there are no environmental element change that would change the social impacts. <b>Based on the details above, NC-2010.21 is closed.</b>	✓
S1		
S2		
S3		
S4		
<b>6.1.4</b>	<b>A regular and scheduled environmental management and monitoring Report.</b>	
PA	The company has shown RKL/RPL SHE approved the Central AMDAL Commission and has made regular reports of its implementation until December 2009. However, the impact of the monitored components in the document Implementation Report RKL/RPL has not completely referred to the valid RKL/RPL. Among others, it has yet to include: (1) social unrest due to compensation discrepancy in land acquisition activities, (2) The opening of job opportunities and business opportunity, and (3) Changes in attitudes and perceptions of society. <b>Non conformance of this indicator is NC-2010.22.</b>	X
MA	The realization of planning and monitoring environment in the aspect of social impact is written in the RKL and RPL Implementation report made every 6 months. The report should cover a number of things, including: (1) social unrest due to compensation discrepancy in land acquisition activities, (2) The opening of job opportunities and business opportunity, and (3) Changes in attitudes and perceptions of society. <b>Based on the details NC-2010.22 is closed, However Minor-2010.46 is published</b>	X
S1		
S2		
S3		
S4		
<b>6.1.5</b>	<b>Particular attention paid to the impacts of outgrowers schemes (where the plantation includes such a scheme).</b>	
PA	There is 16000 ha of plasma area with KKPA pattern (under management of Tuwuh Sari KUD) involving 10,892 people from 26 surrounding villages, consisting of KKPA 1 (3864 ha), KKPA 2 (3792 ha), KKPA 3 (3012 ha), KKPA 4 (2676 ha), and KKPA 5 (2656 ha). As written in the social impact assessment results conducted by POLLITO, there is an influence from the company existence towards the local community economical activities (plasma farmer participants) proven from the local turnover of IDR 1,056,720,000 to IDR 1,773,200,000 each month.	✓
MA	Similar with PA There is 16000 ha of plasma area with KKPA pattern (under management of Tuwuh Sari KUD) involving 10,892 people from 26 surrounding villages, consisting of KKPA 1 (3864 ha), KKPA 2 (3792 ha), KKPA 3 (3012 ha), KKPA 4 (2676 ha), and KKPA 5 (2656 ha). As written in the social impact assessment results conducted by POLLITO, there is an influence from the company existence towards the local community economical activities (plasma farmer participants) proven from the local turnover of IDR 1,056,720,000 to IDR 1,773,200,000 each month. It is calculated from the expense value of 821 local employees. From the 12 villages around SHE, the benefits of KKPA are felt by the KKPA members entering normal harvesting season, among them are the villages of: Angsana, Karang Indah, Bakarangan, and Karangmulya.	✓

S1		
S2		
S3		
S4		
<b>6.2</b>	<b>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</b>	
<b>6.2.1</b>	<b>Documented procedures and records of communication and consultation with the communities.</b>	
PA	<p>There is Information Admission procedure (No. AI 6900) and CEO Memorandum No. M-024/CEO/V/2008 to guarantee the communication and consultation process with the community. However, these procedures can not guarantee that all the communication and consultation will be recorded and acted upon, due to the procedures not clearly specifying the timeframe of the response (if the consultation should be responded); and they do not set the record storage period of the communication and consultation results.</p> <p>Records of the communication and consultation results are not yet available.</p> <p><b>Non conformance of this indicator is NC-2010.01.</b></p>	<b>X</b>
MA	<p>The company has revised procedure No. AI 0900 dated 1 April 2010. Section VI states, the Time Submission of Information (1 (one) week when the approval of Department Head is not needed and 1 (one) month when the approval of Department Head is required.</p> <p><b>Based on the details above NC-2010.01 is closed.</b></p>	<b>√</b>
S1		
S2		
S3		
S4		
<b>6.2.2</b>	<b>Maintenance of a list of stakeholders.</b>	
PA	<p>Stakeholder List is provided on site, among them there are 5 (five) stakeholders in the provincial level, 6 (six) stakeholders in the district level, and 6 (six) stakeholders in the sub-district level. However, there was no element of NGO (Non Government Organization), public figures, Forestry Department, and directly related companies.</p> <p><b>Non conformance of this indicator is CFA-2010.30.</b></p>	<b>X</b>
MA	<p>The organization has revised the stakeholder list with including public figure, related government agency, and other directly related companies. For instance, PT. Gawi Makmur Kalimantan, PT Buana Karya Bakti (Oil Palm plantation companies), and PT. Tunas Inti Abadi (coal mining company).</p> <p><b>Based on the details above CFA-2010.30 is closed.</b></p>	<b>√</b>
S1		
S2		
S3		
S4		

<b>6.2.3</b>	<b>Records of local communities' aspiration and responses or follow-up actions by companies to these requirements</b>	
PA	There are no records or procedures to accept and respond/follow-up community aspiration.  <b>Non conformance of this indicator is NC-2010.01.</b>	<b>X</b>
MA	The company already has the List of Internal-External Complaint Records to record all the aspirations received from the parties. The document includes information on: The date of receipt, name of applicant, type of information/aspirations given, the handling party, date responded/follow-up, the form of action, and completion status. No company has revised procedure No. AI 0900 dated 1 April 2010 regarding Request for Information, as well as mechanisms to receive and act on the aspirations of the parties. The procedure also set aspirations records storage and record storage period for at least 5 (five) years. Up to the main assessment was done, there is no input in the form of aspirations of the parties.  <b>Based on the details above NC-2010.01 is closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		
<b>6.2.4</b>	<b>A dedicated person responsible for consulting and communicating with local communities.</b>	
PA	In the corporate organization, there is KKPA Public Relations Section who is headed by Mr. Suharmaji, located in the GM Office. Based on the explanation from the Chairman of the SOU, the said officer is also given the responsibility to conduct consultation and communication with society in general. However, the company has not shown a detailed job description document.  <b>Non conformance of this indicator is CFA-2010.31.</b>	<b>X</b>
MA	In the corporate organization, there is KKPA Public Relations Section who is headed by Mr. Suharmaji, located in the GM Office. Based on the explanation from the Chairman of the SOU, the said officer is also given the responsibility to conduct consultation and communication with society in general. The company has shown 'Organization Structure and Job Description' document which explained details of the KKPA Public Relations Section, which are:  (1) Doing continuous communication and consultation with the community, especially KKPA members, so that community aspirations and complaints could be known as soon as possible. (2) Resume all the information, complaints, and aspirations of the community to the relevant department for response.  <b>Based on the details above CFA-2010.31 is closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		

<b>6.3</b>	<b>The company provides transparent means and mechanism to accept complaints and settle disputes according to the existing regulation.</b>	
<b>6.3.1</b>	<b>An open system, which is accepted by affected parties, to receive complaints and to resolve dispute in an effective, timely and appropriate manner.</b>	
PA	The mechanism of complaint management from all parties is written in the Information Acceptance Procedure (AI 6900).  See explanation of indicator 1.1.1.  <b>Non conformance of this indicator is NC-2010.01.</b>	<b>X</b>
MA	The mechanism of complaint management from all parties is written in the Information Acceptance Procedure (AI 6900). This procedure explains the procedures for receiving and responding to complaints from the parties, including the steps taken and the timeframe.  In locations that are considered strategic, such as employee housing, estate offices, factories and offices, the "Mailbox" facility is intended to accommodate the aspirations or concerns of the parties. However, it was revealed in an interview with the Village Chiefs of Bakarangan, Tiberau Panjang, and Kepayang, the existence of Mailbox facility and the information procedures was not known by the community. This has led to the community dissatisfaction to the company, especially in terms of settlement of land claims case. With regard to the above, it is advisable for companies to socialize the mechanism of information request to all parties concerned (both internal and external) to ensure the immediate provision of information (response).  See explanation of indicator 1.1.1.  <b>Based on the explanation above NC-2010.01 is closed, however CFA-2010.38 is published</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>6.3.2</b>	<b>Records of handling of the complains.</b>	
PA	See indicators 6.2.1 and 6.2.3  <b>Non conformance of this indicator is NC-2010.01.</b>	<b>X</b>
MA	Complaints/objections of the community is recorded to the the Internal-External Complaints Record which includes information: Date, Name of applicant, type of information requested, the responsible party, date taken, status. Types of complaints/objections received from the community are generally in the form of land claims. There are land claims settlement program records 2009/2010 which recorded the location, description problems, and the final target.  <b>Based on the details above NC-2010.01 is closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		

<b>6.3.3</b>	<b>Procedures for the identification and calculation of fair compensation for the lost of legal or customary right of the land, with the involvement of local community representatives and relevant agencies and made publicly available.</b>	
PA	Could not be presented.  <b>Non conformance of this indicator is NC-2010.05.</b>	<b>X</b>
MA	The company already has Claims Handling Procedures No.02/PSD/09 12 June 2009, covering the identification activities by the Land Committee, the claims map checking, and the negotiation process (settlement). Under these procedures, in land cases settlement which involve many people, the local government is involved from the examination process of claim maps and measurements at the claimed site.  <b>Based on the details above NC-2010.05 is closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		
<b>6.4</b>	<b>Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</b>	
<b>6.4.1</b>	<b>Procedures for the identification of people entitled to receive compensation for the loss of legal or customary rights of the land, with the involvement of local community representatives and relevant agencies.</b>	
PA	Could not be presented.  <b>Non conformance of this indicator is NC-2010.05</b>	<b>X</b>
MA	The company already has Claims Handling Procedures No.02/PSD/09 12 June 2009, covering the identification activities by the Land Committee, the claims map checking, and the negotiation process (settlement). Under these procedures, in land cases settlement which involve many people, the local government is involved from the examination process of claim maps and measurements at the claimed site.  <b>Based on the details above NC-2010.05 is closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		
<b>6.4.2</b>	<b>Records of identifications of people entitled to receive compensation.</b>	
PA	On site, there are documents of Occupied Land Acquisition Report (per case) which also included in the Permits in the Palm Plantation Area. For example for the land settlement in the Bayansari Village Satui Sub District/Kotabaru district of 150 hectares. The document issued by the GRD (Government Relations Department) in April 1999. However, there is no recapitulation matrix which records all cases of land that includes information on: the parties' involved (getting compensation), size and location of land, types of compensation, and the status of completion.  <b>Non conformance of this indicator is NC-2010.04.</b>	<b>X</b>

MA	<p>The organization has provided the records of land cases settlement which are clearly identify: the recipient of compensation, land area, land location, and current status. Examples:</p> <p>(1) The case of land claims in 2008 by Waringin Tunggal Village residents and Tiberao Panjang Village, in Blocks K and I SHE. The case resulted in roads blocking at Blocks 32 and K26-J26-30.</p> <p>(2) The case of claims by Banjarsari Villagers (June 2009), demanding fulfillment of the plasma deficiency of 0.25 hectares per member. The case resulted in blocking of KPPA-1.</p> <p>(3) Overlapping HGU area with Tiberao Panjang and Pacakan area (of 331 hectares), and Waringin Tunggal Village (130 hectares).</p> <p><b>Based on the details above, NC-2010.04 is closed.</b></p>	✓
S1		
S2		
S3		
S4		
<b>6.4.3</b>	<b>Records of negotiations processes and / or the details of compensation settlements.</b>	
PA	<p>The company has negotiation process document per case of land claims within the company work area by the community, such as: claim location maps, Official Report of Land release - includes land transfer agreement from the claimant to the company; map of the location of the claim, and no conflict Statement - which contain the statement from claimant that after handing over the land, there is no further demand. For example for the land settlement in Bayansari Village Satui Sub Distric/Kotabaru district of 150 ha in 1999.</p>	✓
MA	<p>Similar with PA.</p> <p>The company has negotiation process document per case of land claims within the company work area by the community, such as: claim location maps, Official Report of Land release - includes land transfer agreement from the claimant to the company; map of the location of the claim, and no conflict Statement - which contain the statement from claimant that after handing over the land, there is no further demand. For example for the land settlement in Bayansari Village Satui Sub District/Kotabaru district of 150 ha in 1999.</p>	✓
S1		
S2		
S3		
S4		
<b>6.4.4</b>	<b>Records of the implementation of compensation payment.</b>	
PA	See indicator 6.4.2 explanation.	
MA	<p>The company has shown evidence that the land acquisition have been agreed by the parties involved with the conflict, in the form of the document that contains the land release papers, receipt of land payment, news events, a map of the location in question, compensation process photographs, and copies of the identities of parties in the land settlement case, for instance Mr. Suriani for an area of 40 hectares on 11 August 2010;</p> <p>Another example: resolution of the Business Land II Transmigration Village of Bayansari - there is a Memorandum of Understanding dated 26 March 1999 by way of making it to KKPA Program. Land rights release to their respective owners, for example Sairan No. KTP 474.4/713/KS/95 Bayansari Village.</p> <p>See indicator 2.2.4 explanation.</p>	✓

S1		
S2		
S3		
S4		
<b>6.5</b>	<b>Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</b>	
<b>6.5.1</b>	<b>Documentation of employees' pay rates.</b>	
PA	On site, there is Employees Payroll document who describes basic salary, allowances, and insurance. The amount of the minimum wage for average daily SKU is based on Governor Decision of South Kalimantan No. 188.44/0487/KUM/2009 dated 13 November 2009 regarding Determination of 2010 Minimum Wage, amounting to IDR 1,024,500 per month. In addition, each worker gets a compensation wages in form of rice, given to workers and their family members with maximum number of dependents 3 children, 15 kg of rice per person.	√
MA	Similar with PA Based on the Big Payroll (Wages Payment Evidence) of September 2010, it is proven that the company has paid wages in accordance to Governor Decision of South Kalimantan No. 188.44/0487/KUM/2009 dated 13 November 2009. Examples: Wages payments to Asni (NIK 148), and Ferdinand (NIK 493), each was given a basic salary of IDR 1,024,500 and IDR 1,196,255 respectively.	√
S1		
S2		
S3		
S4		
<b>6.5.2</b>	<b>A company working regulations and work contracts, in accordance to existing regulations.</b>	
PA	There are two types of company regulations enforced in LSI, the Companies Regulations set by the Head of the Social Service Labor and Transmigration No. KEP.560/312.a/NAKER/2009 dated 14 March 2009, valid for 2 (two) years, applicable to employees with monthly SKU and daily SKU, while for Staff (Managerial level) is using the Collective Labor Agreement between the parties with Minamas Plantation Workers Union 2007-2009. (the PKB extention is still in process).	√
MA	Similar with PA There are two types of company regulations enforced in LSI, the Companies Regulations set by the Head of the Social Service Labor and Transmigration No. KEP.560/312.a/NAKER/2009 dated 14 March 2009, valid for 2 (two) years, applicable to employees with monthly SKU and daily SKU, while for Staff (Managerial level) is using the Collective Labor Agreement between the parties with Minamas Plantation Workers Union 2007-2009. The mutual work agreement for 2010-2012 is still in negotiation process. The preamble of PKB states that the PKB will stay valid until there is a new PKB as a replacement.	√
S1		
S2		
S3		
S4		

<b>6.5.3</b>	<b>Growers and millers provide adequate housing, water supplies, medical, educational and other facilities for employees where such facilities are not available or accessible.</b>	
PA	Housing facility: 1 door/family; education facility: Elementary School 1 unit, Junior High School 1 unit, Kinder garden 1 unit, Play Group 1 unit; fresh water source in form of 1 dig well per 4 houses; health facility: clinic 1 unit per Division and Central Clinic 1 unit; transportation facility minibus 1 unit and School Bus 1 unit; religion facility mosque 6 units and church 1 unit.	√
MA	Similar with PA- The kinds and number of facilities provided by the company in each employee housing are: Housing facility: 1 door/family; education facility: Elementary School 1 unit, Junior High School 1 unit, Kinder garden 1 unit, Play Group 1 unit; fresh water source in form of 1 dig well per 4 houses; health facility: clinic 1 unit per Division and Central Clinic 1 unit; transportation facility minibus 1 unit and School Bus 1 unit; religion facility mosque 6 units and church 1 unit.	√
S1		
S2		
S3		
S4		
<b>6.5.4</b>	<b>Agreements entered into with contractors are to specify that contractors are to specify that contractors abide by labor laws.</b>	
PA	Employment contract with the contractor has not required the contractor to comply with valid labor regulations. Examples of Work Order (SPK) No. GSE/SPK-LKL/I/2010/054 1 January 2010 for fruit (FFB) transportation jobs . Article 7 requires Occupational Safety, but it has not yet covered the entire requirements of labor regulation (for instance: wages, social security, etc.). <b>Non conformance of this indicator is CFA-2010.32.</b>	X
MA	The organization has made revisions to the Employment Agreement Letter as of 28 July 2010 which requires the contractor to comply with labor regulations and has included wage system, health and safety, and social security for workers (Article 8). Work based wholesale price payment is based on the regional minimum wage standard. For example: Procurement stone base course SPK for street paving. No. ASE/SPK-LKL/VII/2010/003. <b>Based on the details above CFA-2010.32 is closed.</b>	√
S1		
S2		
S3		
S4		
<b>6.6</b>	<b>The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</b>	
<b>6.6.1</b>	<b>Documented company policy recognizing freedom of association.</b>	
PA	There was no document that contains policies that states the company giving the freedom of speech to workers. However, based on the Collective Labor Agreement 2007-2009, it is identified that workers (staff and non-staff) have been joined into a single union called the Workers Union of Indonesia (SPSI) Minamas Gemilang business group, where the Mutual Working Agreement document was signed by representatives of Minamas Gemilang business group and representatives of the Workers' Unions. <b>Non conformance of this indicator is NC-2010.33.</b>	X



MA	The company presented document on the related policy on workers' freedom of speech, which is the Estate Manager Memo on 1 September 2010 on Definition of Freedom of Speech and Protection of the Right to Organize. The management (the Company) states that they respect and does not hinder the right of workers to join unions.	√
<b>Based on the description above, NC-2010.33 is closed.</b>		
S1		
S2		
S3		
S4		
<b>6.6.2 Documented minutes of meetings with any labor union (if any).</b>		
PA	On site, there is a document of Negotiation Treaties in discussing the PKB of 2009-2011, between company representatives (Minamas business group) with the Workers' Union on 10 March 2010 at Novotel-Bogor. Among the participants, there were Juarsa Siagian, Hilmi Hasan, and Eka Librina who are the SPSI Minamas Group Kalimantan representatives.	√
MA	Similar with PA On site, there is a document of Negotiation Treaties in discussing the PKB of 2009-2011, between company representatives (Minamas business group) with the Workers' Union on 10 March 2010 at Novotel-Bogor. Among the participants, there were Juarsa Siagian, Hilmi Hasan, and Eka Librina who are the SPSI Minamas Group Kalimantan representatives.	√
S1		
S2		
S3		
S4		
<b>6.7 Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programs. Children are not exposed to hazardous working conditions.</b>		
<b>6.7.1 Documented company policy on worker age requirement, in accordance to national laws.</b>		
PA	Company policy related with worker's age requirements, written in the PKB Article 16, which states a minimum age of 18. This is reinforced by GM Memo Sebamban Estate & KKPA; and GM Sebamban Mill & Central Kalimantan No. GM EST/066/IV/2010 16 April 2010 on the Procedures for Acceptance, Appointment and Placement of SKU Employees in Business Unit. Section I clause 5 states: "...at least 18 years and maximum 35 years at the time of admission or already married."	√
MA	Similar with PA Company policy related with worker's age requirements, written in the PKB Article 16, which states a minimum age of 18. This is reinforced by GM Memo Sebamban Estate & KKPA; and GM Sebamban Mill & Central Kalimantan No. GM EST/066/IV/2010 16 April 2010 on the Procedures for Acceptance, Appointment and Placement of SKU Employees in Business Unit. Section I clause 5 states: "...at least 18 years and maximum 35 years at the time of admission or already married."  Based on the Employee List of September 2010, it is proven that the policy is implemented. For example, from 413 employees listed in Pantai Bonati Estate (SHE), there was none below 18 years of age on admission.	√

S1		
S2		
S3		
S4		
<b>6.7.2</b>	<b>Record of implementation of company policy on worker age requirements.</b>	
PA	There is an employee list which contains information of: employee name, birth date, and admission date. Based on the Employee List of September 2010, it is proven that there was no employee below 18 years of age on admission.	√
MA	Similar with PA There is an employee list which contains information of: employee name, birth date, and admission date. Based on the Employee List of September 2010, it is proven that there was no employee below 18 years of age on admission. (See major indicator 6.71 explanation above).	√
S1		
S2		
S3		
S4		
<b>6.8</b>	<b>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</b>	
<b>6.8.1</b>	<b>A documented equal opportunities policy.</b>	
PA	LSI has a mechanism for receiving and providing employment opportunities, where it is written in the PKB and the Internal Memo. In terms of career workers, an LSI promotion mechanism is based on the test properties and the annual performance appraisal. Besides aiming to increase workers' careers, this mechanism also done for wage class and wage adjustments. One of the company's anti-discrimination policies set forth in the PKB Article 16 (2007-2009). However, it does not fulfill anti-discrimination especially in nationality, where it requires "citizen of Indonesia."  <b>Non conformance of this indicator is CFA-2010.34.</b>	X
MA	The organization has documented policies that provide equal treatment without discrimination to all employees. The policy is contained in the Guidelines for Sustainable Plantation Management Policy No. 724/TQEM-SPMS/09 Page 13.  <b>Based on the detail above, the CFA-2010.34 is closed.</b>	√
S1		
S2		
S3		
S4		
<b>6.8.2</b>	<b>Evidence of equal treatment in working opportunities for workers.</b>	
PA	There are Records of Annual Assessment and Promotion used by the organization for position or earning promotion of employees in an enterprise environment (confidential). The document is confidential but has been shown by the organization to the auditor MAL on site. Based on these documents, it is known that in essence, the opportunities and employment for each employee is highly dependent on the performance of each employee.	√

MA	<p>Similar with PA</p> <p>There are Records of Annual Assessment and Promotion used by the organization for position or earning promotion of employees in an enterprise environment (confidential). The document is confidential but has been shown by the organization to the auditor MAL on site. Based on these documents, it is known that in essence, the opportunities and employment for each employee is highly dependent on the performance of each employee.</p> <p>Example: Summary of Assistant Trainee Candidates Recommendation, based on Memorandum No. 048/GM MO-GM HRM/XI/2008 dated 12 November 2008.</p>	√
S1		
S2		
S3		
S4		
<b>6.9</b>	<b>Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.</b>	
<b>6.9.1</b>	<b>A documented company policy on sexual harassment and violence.</b>	
PA	<p>On site, there is Procedure No. LSI/SOP/SOSEK/RSP0/06 dated 1 April 2010 on the Prevention of Sexual Harassment. In Section 5 of the procedure regulates things as follows:</p> <p>5.1.6 Each employee shall maintain decorum in dress;</p> <p>5.1.7 Every employee is prohibited from having direct eye contact with the opposite sex;</p> <p>5.1.8 It is prohibited to be alone in hidden and deserted places with the opposite sex.</p>	√
MA	<p>Similar with PA</p> <p>On site, there is Procedure No. LSI/SOP/SOSEK/RSP0/06 dated 1 April 2010 on the Prevention of Sexual Harassment. In Section 5 of the procedure regulates things as follows:</p> <p>5.1.6 Each employee shall maintain decorum in dress;</p> <p>5.1.7 Every employee is prohibited from having direct eye contact with the opposite sex;</p> <p>5.1.8 It is prohibited to be alone in hidden and deserted places with the opposite sex.</p> <p>In addition, the company has the SIME DARBY plantation social policy on the efforts of preventing sexual violence and harassment. The company has created a Gender Commission on 25 May 2010 with the purpose of accommodating aspiration on sexual violence and harassment in the company environment. The Gender Commission Chairman for Angsana Estate is Ms. Mahmudah; while The Gender Commission Chairman for Gunung Sari Estate is Ms. Zoharah Hawaris.</p>	√
S1		
S2		
S3		
S4		
<b>6.9.2</b>	<b>A documented company policy on the protection of reproductive rights.</b>	
PA	<p>On site, there is procedure No. LSI/SOP/SOSEK/RSP0/05 dated 1 April 2010 on the Protection of Women. Section 5.5.4 on the procedure governs the provision of maternity leave/giving birth during the 1.5 months before and after birth - to female workers who have reached 8 months of pregnancy.</p>	√

MA	<p>Similar with PA</p> <p>On site, there is procedure No. LSI/SOP/SOSEK/RSP0/05 dated 1 April 2010 on the Protection of Women. Section 5.5.4 on the procedure governs the provision of maternity leave/giving birth during the 1.5 months before and after birth. There is also another policy in form of Managerial Memo No: GSE-GME/131/XI/2009/S, dated 18 November 2009 on the work mutation to other kinds of work for spraying and fertilizing workers pregnant and/or breastfeeding.</p>	✓
S1		
S2		
S3		
S4		
<b>6.9.3</b>	<b>Proof of implementation of sexual harassment policy.</b>	
PA	<p>Not available.</p> <p><b>Non conformance of this indicator is NC-2010.35.</b></p>	X
MA	<p>The company has shown the Social Policy document which includes the protection of women workers from sexual crimes and harassment. To guarantee the implementation of the policy, Gender Commission has been established in each estate. SHE Gender Commission was established on 25 June 2010, with Ms. Mahmudah as Chairwoman. While at LSI, it was formed on 29 April 2010, with Ms. Sartini as Chairwoman and Ms. Husniaturrahmah as secretary. Gender Commission has a program that accommodates the aspirations of female employees, conducting regular meetings every 3 (three) month, and giving counseling programs to the local the community.</p> <p><b>Based on the details above NC-2010.35 is declared closed.</b></p>	✓
S1		
S2		
S3		
S4		
<b>6.9.4</b>	<b>Proof of implementation of reproductive rights policy.</b>	
PA	<p>On site, there are maternity/childbirth documents for female workers, among others: pregnancy/childbirth leave on the behalf of Sri Agustina (Scales Operator - Mill), leave starting on 9 December 2008 until 4 March 2009. Based the Payroll of January 2009, said personnel gain full basic salary of IDR 1,024,500 (in accordance with South Kalimantan UMR).</p>	✓
MA	<p>Similar with PA</p> <p>On site, there are maternity/childbirth documents for female workers, among others: pregnancy/childbirth leave on the behalf of Sri Agustina (Scales Operator - Mill), leave starting on 9 December 2008 until 4 March 2009. Based the Payroll of January 2009, said personnel gain full basic salary of IDR 1,024,500 (in accordance with South Kalimantan UMR).</p> <p>Interview with Ms. Susmiyati (poison dissolver, 40) and Ms. Sariam (spraying worker, 37) gave the information that pregnant or breastfeeding women are not allowed working in the high risks jobs, for instance spraying (chemical application for weeds and pests) and fertilizing.</p>	✓

S1		
S2		
S3		
S4		
<b>6.9.5</b>	<b>A specific grievance mechanism is available.</b>	
PA	Written in Section 5.3 Procedure No. LSI/SOP/SOSEK/RSPO/05, that every female worker having complaint, has to report to her direct superior.  LSI also facilitate the complaints from all parties in form of Suggestion Box placed in employee housing, estate office, and mill.	√
MA	Similar with PA Complaints handling procedure is written in Section 5.3 Procedure No. LSI/SOP/SOSEK/RSPO/05, that every female worker having complaint, has to report to her direct superior. LSI also facilitates the complaints from all parties in form of Suggestion Box placed in employee housing, estate office, and mill.  Complaints handling mechanism are also listed in the PKB (Collective Labor Agreement) document Article 58, Complaints Settlement paragraph 1: Any complaint from workers should be settled between the worker and his direct superior. Paragraph 3: if it is not resolved, the complaint can be continued through the workers' union.	√
S1		
S2		
S3		
S4		
<b>6.10</b>	<b>Growers and mills deal fairly and transparently with smallholders and other local businesses.</b>	
<b>6.10.1</b>	<b>Current and past prices paid for FFB shall be publicly available.</b>	
PA	On site, there is Minutes of Palm FFB Pricing Meeting Results which shows that the FFB pricing was composed together by various parties. As an example, the pricing in March 2010 was attended by representatives of KUD and nucleus business (LSI). FFB pricing results was approved by the Head of the Plantation Agency of South Kalimantan, where the FFB price varies based on the class age of plants.	√
MA	Similar with PA FFB price is composed every two weeks, involving representatives of farmers, nucleus business, and related government agencies. The results of FFB pricing is announced openly via KUD, nucleus business, and the Village office.	√
S1		
S2		
S3		
S4		
<b>6.10.2</b>	<b>Pricing mechanisms for FFB and inputs / services shall be documented (where these are under the control of the mill or plantation).</b>	
PA	FFB price is composed together between regional government (provincial), related agency, and representatives of plasma and nucleus business.	√

MA	Similar with PA On site, there is Minutes of Palm FFB Pricing Meeting Results which shows that the FFB pricing was composed together by various parties. As an example, the pricing in March 2010 was attended by representatives of KUD and nucleus business (LSI). FFB pricing results was approved by the Head of the Plantation Agency of South Kalimantan, where the FFB price varies based on the class age of plants.	✓
S1		
S2		
S3		
S4		
<b>6.10.3</b>	<b>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</b>	
PA	Will be directly verified to the plasma farmers on main assessment.	
MA	It is proven that the FFB price is composed together between regional government (provincial), related agency, and representatives of plasma and nucleus business. Interview with the Chief of KUD Tumbuh Sari gave fact that the farmers can accept the Nucleus Plasma contract agreement made. It is proven by the absence of significant upheaval related with the contract.	✓
S1		
S2		
S3		
S4		
<b>6.10.4</b>	<b>Agreed payments shall be made in a timely manner.</b>	
PA	Explanation of the Chief of KUD Tumbuh Sari, that monthly FFB payment from SHE is usually about 1.5 months late because of the long calculation process performed by the company. For example, payments received in May 2010 are for delivery in FFB in March 2010.	✓
MA	Similar with PA Explanation of the Chief of KUD Tumbuh Sari, that monthly FFB payment from SHE is usually about 1.5 months late because of the long calculation process performed by the company. For example, payments received in May 2010 are for delivery in FFB in March 2010. By the community request, it is advised the FFB payment could be done on the same month. However, the community has been very understanding and no problems have occurred.	✓
S1		
S2		
S3		
S4		
<b>6.11</b>	<b>Growers and millers contribute to local sustainable development wherever appropriate.</b>	
<b>6.11.1</b>	<b>Records of company contributions to the local development.</b>	
PA	There is some evidence (photographs) showing the company contribution to local development, among others: places of worship aid, road repair, and Idul Adha cow donations, but has not been properly recorded into a matrix informing the type and amount of contribution, the benefactors, and time of delivery. <b>Non conformance of this indicator is NC-2010.36.</b>	X

MA	<p>The organization has provided a Summary of CSR (Corporate Social Responsibility) 2008, 2009, and 2009 which includes information on types of aid, delivery proof, and aid value. Example: The amount of contributions made by Pantai Bonati Estate in 2008 (IDR 101,407,323); 2009 (IDR 57,951,342); 2010 (IDR 5,310,819). While other types of assistance include: monthly salary for kindergarten and elementary school teacher in villages of Mustika, Waringin Tunggal, Keranji, Karang Mulya; Achievement Scholarship for Mustika elementary school. All types of the contribution are more charity-based activities planned only by the company, not planned together by the identification of community needs.</p> <p>Another type of corporate contributions to community in the 10 villages surrounding the company area, is a palm oil plantation development through KPPA programs covering approximately 16,000 hectares (7,971 hectares of productive crop) involving 3,258 members. Based on the KPPA member data of KUD Tuwuh Sari &amp; CD SHE, it is known that the details of KPPA is as follows: Bakarangan Village - 45 members, Kuranji - 20 members, Tiberao Panjang - 16 members, Angsana - 129 members, Sebambam Lama - 331 members, Waringin Tunggal - 507 members, Giri Mulya - 494 members, Mustika - 527 members, Karang Mulya - 894 members, and Karang Indah - 295 members.</p> <p><b>Based on the details above, NC-2010.36 is closed, CFA-2010.47 is published.</b></p>	X
S1		
S2		
S3		
S4		
<b>PRINCIPLE # 7 Responsible development of new plantation</b>		
7.1	<b>A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</b>	
7.1.1	<b>Social and environmental impact assessments (AMDAL), which include details of both positive and negative social and environmental impacts, made with the participation of affected parties (local communities).</b>	
PA	<p>The company already has an approved environmental document by the relevant authority. The document includes the area of new planting after November 2005 in an area of 527 ha located in the LSI and 1311 ha in SHE. The area of the new plants is located on land that previously stated not suitable for planting due to various soil physical reasons (not expansion of new areas). There is evidence showing that the management of social impacts has involved the community (the parties), it is shown by the Visum book that informs parties visited for questioning, meeting time, and the materials discussed. Visum book is an integral part of Social Impact Assessment Report in 2010 on the LSI and SHE.</p>	√
MA	<p>Similar with PA</p> <p>The company already has an approved environmental document by the relevant authority. The document includes the area of new planting after November 2005 in an area of 527 ha located in the LSI and 1311 ha in SHE. The area of the new plants is located on land that previously stated not suitable for planting due to various soil physical reasons (not expansion of new areas). There is evidence showing that the management of social impacts has involved the community (the parties), it is shown by the Visum book that informs parties visited for questioning, meeting time, and the materials discussed. Visum book is an integral part of Social Impact Assessment Report in 2010 on the LSI and SHE.</p>	√



S1		
S2		
S3		
S4		
<b>7.1.2</b>	<b>Appropriate management plan and operational procedures (RKL / RPL).</b>	
PA	The company has shown RKL/RPL 2000 document approved the Central AMDAL Commission and has made regular reports its implementation until the second period of 2009 (July-December 2009). However, the impacts of the monitored components in the RKL/RPL Implementation Report have not been completely referring to the RKL/RPL approved.  <b>Non conformance of this indicator is NC-2010.22.</b>	X
MA	The organization has shown Draft of RKL/RPL SHE Implementation Report January to June 2010, which monitors the components impact referring to RKL/RPL approved by the Central AMDAL Commission on behalf of the Minister for Forestry Decision. 154/Menhut-II/2000 (where there are 7 (seven) impacts to be monitored);  <b>Based on the above description, NC-2010.22 closed.</b>	✓
S1		
S2		
S3		
S4		
<b>7.1.3</b>	<b>Where there are schemed smallholders, records of development program for smallholders are kept, in accordance to the scheme and relevant laws.</b>	
PA	Chief of KUD Tuduh Sari stated that the nucleus company has never specifically given training program to the plasma farmers. Guidance for farmers is conducted directly by the Assistant and the Foreman in every opportunity. For example: fruit harvesting, transportation, and on informal occasions in the farmer's house. Guidance on site (for example when transporting fruit), the foreman, together with grading team, gives directives on ripe fruit characteristics and quality. While in the informal meetings in the farmer's house, foreman or other company staff provided directions on the efforts and actions taken to produce good quality fruit. Records of these activities are only available in the form of photographs.	✓
MA	Similar with PA Chief of KUD Tuduh Sari stated that the nucleus company has never specifically given training program to the plasma farmers. Guidance for farmers is conducted directly by the Assistant and the Foreman in every opportunity. For example: fruit harvesting, transportation, and on informal occasions in the farmer's house. Guidance on site (for example when transporting fruit), the foreman, together with grading team, gives directives on ripe fruit characteristics and quality. While in the informal meetings in the farmer's house, foreman or other company staff provided directions on the efforts and actions taken to produce good quality fruit. Records of these activities are only available in the form of photographs.	✓
S1		
S2		
S3		
S4		



<b>7.2</b>	<b>Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.</b>	
<b>7.2.1</b>	<b>Results of land surveys to determine suitability of soil are to be provided, including information on topography, climate, soil type, soil fertility, water table depth and drainage.</b>	
PA	The company has records of soil suitability for company management area, however it has not include new plantings after November 2005.  <b>Non conformance of this indicator is NC-2010.37.</b>	<b>X</b>
MA	The organization has presented Semi Detailed Soil Survey Results Report which includes all the plant areas, including new plants area opened after November 2005. See the indicator 4.2.1 explanation above.  <b>Based on the details above, NC-2010.37 is closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		
<b>7.2.2</b>	<b>Evidence that plantations are developed in accordance to the suitability of the land.</b>	
PA	Could not be verified, because there was no land suitability record.	
MA	On site, there are Areal Statement maps which clearly illustrate the land use pattern by the company, namely: the distribution of staple crop areas based on planting year, infrastructure, land occupation (and/or enclave). Results of superimposing maps of Area Statement and Land Suitability proved that the whole area of principal plants is on areas within the category of "appropriate" to plant palm.	<b>√</b>
S1		
S2		
S3		
S4		
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	
<b>7.3.1</b>	<b>New plantings within Nov 05 and Nov 07 must be in compliance with existing regulatory requirements that relate to social and environmental impacts management, and with the legalized land spatial planning.</b>	
PA	See Criteria 5.2. <b>Non conformance of this indicator is CFA-2010.03.</b>	<b>X</b>

MA	<p>On site, there is an AMDAL document, which covers the management of social and environmental impact caused by oil palm plantation and mill PT SHE and PT LSI (See major indicator 7.1.1 explanation above.)Based on the Forest Area and Water Area designation map of South Kalimantan Province with 1:150,000 scale (based on Menhut No.435/Menhut-II/2009), it is known that all new planting areas contained is in SOU 4 (SHE and LSI) work area, contained in areas designated as forest areas which can be converted. See Annex 2-3.However, in connection with the case rejection of the Supreme Court (dated 23 May 2008) against the PT SHE cassation over control of land in a part of the SHE work areas by the coal mining company (CV Anzawara Satria), then to ensure area certainty, it is very important to complete other supporting documents forms: map RTRWK (District Planning).</p> <p><b>Based on the details above, CFA-2010.03 is declared open</b></p>	X
S1		
S2		
S3		
S4		
<b>7.3.2</b>	<b>Maps showing plan and realization of land clearing in accordance to HCV identification.</b>	
PA	<p>On site, there are documents showing that the Habitat with High Conservation Value (HCV) contained in SOU 4 work area have been identified. The identification results have been determined through a public hearing on 6 January 2010 which was attended by 36 representatives of stakeholders. However, there is no sufficient evidence that it had involved Independent Community Institution of social and environmental aspects; Higher Education; and other related research institutions.</p> <p>The field visit result to Blocks G33 and C38 Mustika Estate showed that the company has indicated that all areas identified as areas of HCV have been delineated to be managed according to the valid regulations.</p> <p><b>Non conformance of this indicator is NC-2010.23.</b></p>	X
MA	<p>The organization has composed HCV management plan referring to the HCV Identification Results documents. However, there is not enough evidence that the HCV identification has involved all the related parties, including the non government organization (NGO).</p> <p>The MUTU Auditor has received an explanation from the Pollito (<i>HCV consultant</i>) HCV identification team, where most of the executive team came from NGOs as an effort to fulfill the needs of NGO opinion. Unfortunately, after studying the CVs of the members of AIP HCV identification team, the claim has not been proven.</p> <p><b>Based on the details above, NC-2010.23 is open.</b></p>	X
S1		
S2		
S3		
S4		

<b>7.4</b>	<b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>	
<b>7.4.1</b>	<b>Maps identifying marginal and fragile soils, including excessive gradients and peat soils, should be available.</b>	
PA	On site, there is a Semi Detailed Soil Survey results giving information on 'Land Mapping Units'. The map describes the land suitability based on the soil series and slopes for each area (SPL 1 until SPL 7). The fragile soils are describe as areal having N1 (currently unsuitable) and N2 (unsuitable) suitability levels. Example of fragile soil: traditional gold mine area of 190 ha in Mustika Estate.	✓
MA	Similar with PA On site, there is a land suitability map for each plantation unit (SHE and LSI), where fragile soil is given as area with N1 (currently unsuitable) and N2 (unsuitable) suitability level. For example, based on the Soil Survey, it is know that within the SHE area there is fragile soil for 190 ha in form of traditional gold mine and it is mapped clearly.	✓
S1		
S2		
S3		
S4		
<b>7.4.2</b>	<b>Where limited planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them without incurring adverse impacts.</b>	
PA	See indicator 4.3.2 explanation above - Crop management strategy for area with certain tiltiness is described in the Semi Detailed Soil Survey. Areas with certain tiltiness is one of the limitations considered by the company in the palm plantation development. For instance: The land class in all SPL at Mustika Plantation has the potential of being S2 by correcting the limitation factors by the following actions: (1) maintaining cover crop vegetation by doing selective weeding and growing fern <i>Nephrolepis</i> sp;(2) terracing or creating silt pit on slopes; (3) placing midribs in U shape frond stacking; (4) empty bunch application; and (5) planting terrace-strengthening plants such as <i>Vetiver zizanioides</i> (vetiver grass). However, the company has not presented the implementation affectivity evaluation results.  <b>Non conformance of this indicator is NC-2010.08.</b>	X
MA	The organization has shown the affectivity evaluation results of soil fertility maintenance practice in the form of monthly FFB Production History. Declining productivity indicates a decrease in soil fertility, and vice versa, the productivity surges in the block indicate an increase in soil fertility.  The level of land damage is also monitored by measuring soil erosion rates in locations that are considered vulnerable, such as at a certain slope areas. There are 10 points of erosion monitoring in Angsana Estate (LSI) located in Block AO-34, AO-35, A-17, B-22, C-27, and D-23, and 5 (five) points in SHE located in Block O-24, O-25, O-27, and Q-25. Each point presents particular slope according to field conditions (16%, 6%, 25%, 32%, 30%). Erosion monitoring points have been examined and can be found on the field. Measurements have been performed twice, each on 1 September and 1 October 2010. The measurement results in the LSI work area showed soil erosion LSI of 1-40 mm, while in the SHE showed the erosion rate of 2-6 mm.  <b>Based on the details above NC-2010.08 is closed.</b>	✓

S1		
S2		
S3		
S4		
<b>7.5</b>	<b>No new planting is done on the local community land without their consent, through a documented system that enables native people, local community and other stakeholders to express their views through their own representative institutions.</b>	
<b>7.5.1</b>	<b>The company has an environmental management document, which covers analysis of positive and negative impacts of social and environmental aspects, as well as the participation of the parties affected (local community).</b>	
PA	See indicators 5.1.1 and 6.1.1 above. The company already has an AMDAL document which includes the management of social and environmental impacts caused by company operations in all company work areas, including in the areas of new planting after November 2005.	✓
MA	Similar with PA The company already has an AMDAL document which includes the management of social and environmental impacts caused by company operations in all company work areas, including in the areas of new planting after November 2005. The document identifies the impacted parties. The involvement of parties (involved parties and discussed materials) is recorded in to the Visum Book.	✓
S1		
S2		
S3		
S4		
<b>7.5.2</b>	<b>Documented socialization programs prior to new plantings.</b>	
PA	See Criteria 6.1.	
MA	As described in indicator 7.1.1 above, the new plant area is located within SOU 4 work area, not an expansion of new area. The area has been covered in the AMDAL document, the identification of HCV, and Social Impact Assessment. In the preparation of those three documents, many parties were involved, including the community surrounding the work area. Evidence of community participation in public hearings are indicated the existence of Presence List, materials dissemination, and Visum Book.	✓
S1		
S2		
S3		
S4		
<b>7.5.3</b>	<b>Proof of payment to land owners and proper handling-over of the land for new plantings.</b>	
PA	See Criteria 6.4.	
MA	The company has shown evidence that the land acquisition have been agreed by the conflicted parties, such as documents containing land release agreement letter, land payment receipt, official minutes reports, conflicted location map, compensation process photographs, and identification copies of the conflicted parties, for instance in the land settlement of Mr. Suriani for 40 hectares dated 11 August 2010.  See also indicator 2.2.4 explanation.	✓

S1		
S2		
S3		
S4		
<b>7.6</b>	<b>Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	
<b>7.6.1</b>	<b>Documented identification and assessment of customary and legal rights with the involvement of relevant government agencies and local communities.</b>	
PA	See Criteria 6.4.	
MA	<p>On site, the organization has shown BPN Tanah Bumbu Letter No. 000/175/KP.12 regarding Indigenous Rights / Communal Land Status, which states that there is no customary rights land status within the land given on the company HGU (PT Sajang Heulang and PT Ladangrumpun Suburabadi). Concerning other customary rights, the interview with the Village Chiefs of Bakarangan and Tiberau Panjang showed that the company has never prohibited the community to fish, hunt, or gather honey and non-palm fruits within the company work area. The company only made rules so that the fishing is not done by electrocuting and poisoning. The prohibition can be seen in prohibition boards found in a number of fishing spots and other spots frequently visited by the community.</p> <p>As examples of locations identified as community traditional activity area are Block C 38 Mustika Estate - fishing point; and Block G 33 - fruit harvesting area. The company already has Claims Handling Procedures No.02/PSD/09 12 June 2009, covering the identification activities by the Land Committee, the claims map checking, and the negotiation process (settlement). Under these procedures, in land cases settlement which involve many people, the local government is involved from the examination process of claim maps and measurements at the claimed site.</p> <p>See indicator 6.4.1 explanation above.</p> <p>Example: the land case settlement againsts 223 land owners from the Business Land II Bayansari Village of 1,672,599 m2 (April 1999). The agency representatives involved were: Head of Land Affairs Agency of Kotabaru District; Administrative Asistant I Regional Secretariat Kotabaru District; Regional Government of Kotabaru District; Disbun Staff Kotabaru District; Head of Satui Subdistrict; and Bayansari Village Chief.</p>	√
S1		
S2		
S3		
S4		
<b>7.6.2</b>	<b>Procedures to identify people entitled to receive compensation.</b>	
PA	See indicator 2.2.5	
	<b>Non conformance of this indicator is NC-2010.05.</b>	X
MA	<p>The procedure to identify rightful parties to accept compensation is written in Claims Handling Procedures No.02/PSD/09 dated 12 June 2009, where the rightful parties are the ones that can present legal evidence over the claims applied.</p> <p><b>Based on the details above, NC-2010.05 is closed.</b></p>	√

S1		
S2		
S3		
S4		
<b>7.6.3</b>	<b>Records of negotiation process and / or compensation settlements are available.</b>	
PA	The company has negotiation process document per case of land claims within the company work area by the community, such as: claim location maps, Official Report of Land release - includes land transfer agreement from the claimant to the company; map of the location of the claim, and no conflict Statement - which contain the statement from claimant that after handing over the land, there is no further demand. For example for the land settlement in Bayansari Village Satui Sub Distric/Kotabaru district of 150 ha in 1999.	√
MA	Similar with PA The company has negotiation process document per case of land claims within the company work area by the community, such as: claim location maps, Official Report of Land release - includes land transfer agreement from the claimant to the company; map of the location of the claim, and no conflict Statement - which contain the statement from claimant that after handing over the land, there is no further demand. For example for the land settlement in Bayansari Village Satui Sub Distric/Kotabaru district of 150 ha in 1999. Compensation agreement evidence is also available for an area of 1,672,500 m2 (Business Land II Transmigration Village of Bayansari), which includes 223 people.	√
S1		
S2		
S3		
S4		
<b>7.6.4</b>	<b>Documentation of calculation and payment for compensation.</b>	
PA	See Criteria 6.4.	
MA	The company has shown evidence that the land acquisition have been agreed by the conflicted parties, such as documents containing land release agreement letter, land payment receipt, official minutes reports, conflicted location map, compensation process photographs, and identification copies of the conflicted parties, for instance in the land settlement of Mr. Suriani for 40 hectares dated 11 August 2010.  The compensation value - as regulated in Claims Handling Procedures No.02/PSD/09 dated 12 June 2009 - determined in accordance with the agreement.  See also indicator 2.2.4 explanation.	√
S1		
S2		
S3		
S4		
<b>7.6.5</b>	<b>Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.</b>	
PA	See Criteria 6.4.	

MA	On site, there is the Claims Handling Procedures No.02/PSD/09 dated 12 June 2009, which ensures that the company will provide compensation to all those with valid evidence who have lost access and land rights caused by company operations. The compensation value is determined in accordance with the agreement, among other things: the loss of land ownership rights can be compensated with KKPA programs, cooperation, or financial compensation. While traditional access rights (fishing, hunting) in the company's work area, controlling is done so as not to cause negative impacts on the environment and on social aspect.	√
S1		
S2		
S3		
S4		
<b>7.6.6</b>	<b>The process and outcome of any compensation claims should be documented and made publicly available.</b>	
PA	The company has negotiation process document per case of land claims within the company work area by the community, such as: claim location maps, Official Report of Land release - includes land transfer agreement from the claimant to the company; map of the location of the claim, and no conflict Statement - which contain the statement from claimant that after handing over the land, there is no further demand. For example for the land settlement in Bayansari Village Satui Sub Distric/Kotabaru district of 150 ha in 1999.	√
MA	Similar with PA  The company has negotiation process document per case of land claims within the company work area by the community, such as: claim location maps, Official Report of Land release - includes land transfer agreement from the claimant to the company; map of the location of the claim, and no conflict Statement - which contain the statement from claimant that after handing over the land, there is no further demand. For example for the land settlement in Bayansari Village Satui Sub District/Kotabaru district of 150 ha in 1999.	√
S1		
S2		
S3		
S4		
<b>7.7</b>	<b>Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>	
<b>7.7.1</b>	<b>Documented assessment where fire has been used for preparing land for planting.</b>	
PA	See Criteria 5.5.	
MA	The company has a zero burning policy (land opening without burning) written on the Land Opening Procedures SOP Section 3 Policy No. 110/EST-ARM/08. The policy is confirmed with the HPO (Head Plantation Office) Memorandum No. POD-UM-0065/VI/2008 regarding Monsoon Season Anticipation and Preparation against the Dangers of Fire.  The company has reports of Monthly Land Fire Monitoring done by the HPO, until 2010, there is no land fire within the company work area.	√
S1		
S2		
S3		
S4		

<b>7.7.2</b>	<b>Records of implementation of zero burning policy.</b>	
PA	See Criteria 5.5.	
MA	The company has a zero burning policy (land opening without burning) written on the Land Opening Procedures SOP Section 3 Policy No. 110/EST-ARM/08. The policy is confirmed with the HPO (Head Plantation Office) Memorandum No. POD-UM-0065/VI/2008 regarding Monsoon Season Anticipation and Preparation against the Dangers of Fire. The company has reports of Monthly Land Fire Monitoring done by the HPO, until 2010, there is no land fire within the company work area.	✓
S1		
S2		
S3		
S4		
<b>7.7.3</b>	<b>Procedures and records of emergency responses to land burning</b>	
PA	There is an HPO Memorandum Number POD-UM-0065/VI/2008 about Monsoon Season Anticipation and preparation against fire, and evidence (photographs) showing that the company has conducted emergency fire response simulation, but the procedures and records are not available.  <b>Non conformance of this indicator is NC-2010.27.</b>	X
MA	The company already has a Fire Prevention SOP Doc. 730/TQM-ESH/10 dated 1 April 2010 and SOP Fire Fighting Doc. 727/TQEM-ESH/10 1 April 2010. The procedures regulate the workflow of fire prevention and preventive actions in case of fire. Procedures clearly determine the Fire Fighting Squad, Patrol Activity and Reporting, Mapping of fire-prone areas, and equipment use. There are also records of Emergency Response Training No. PH 4004 1 April 2010 regarding Fire Management Manual. Training materials included inspection of fire extinguishers readiness, the use of fire extinguishers, and fire fighting team coordination.  <b>Based on the description above, NC-2010.27 is closed.</b>	✓
S1		
S2		
S3		
S4		
<b>7.7.4</b>	<b>Attendance of appropriate fire extinguishers and facilities, depending on the fire risks.</b>	
PA	The organization has fire fighting equipments (fire extinguisher, water-pump, water-trailer, flapper, etc) placed on each estate. However to ensure the adequacy of types and amount, analysis of fire equipment needs in accordance with the fire danger vulnerability level should be done.  <b>Non conformance of this indicator is CFA-2010.28.</b>	X
MA	There is not enough evidence that the company has done analysis of fire equipment needs in accordance with the fire danger vulnerability level. It is very important to ensure the achievement of fire extinguishing targets based on time and area in relation to the potential of the available fuel.  <b>Based on the details above, CFA-2010.28 is open.</b>	X
S1		
S2		
S3		
S4		



PRINCIPLE # 8 Commitment to continuous improvement in key areas of activity		
8.1	<b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>	
8.1.1	<b>A monitoring action plan based on the social environmental impact assessment (AMDAL), and regular evaluations of plantation and mill operations. As a minimum, these must include, but not necessarily be limited to :</b> <ul style="list-style-type: none"> <li>- Reduction in use of certain chemicals (criterion 4.6)</li> <li>- Environmental impacts (criterion 5.1)</li> <li>- Waste reduction (criterion 5.3)</li> <li>- Pollution and emissions (criterion 5.6)</li> <li>- Social impacts (6.1).</li> </ul>	
PA	There are a number of recommendations from the Assessment of Social Impact and High Conservation Value Habitat Identification Results within each report document, however there are no progress composition to implement them as follow up actions.  <b>Non conformances of this indicator are NC-2010.21; NC-2010.22 and NC-2010.25.</b>	X
MA	Monitoring action plans related to the use of chemicals, environmental impact, waste reduction, pollution and emissions, as well as social impacts, has been presented in the Management Plan and Environmental Monitoring document. Results of environmental management and monitoring are reported on a regular basis every 6 months to the relevant agencies. However, the internal mechanism in the preparation and submission of the report is still not good so the submission of reports to relevant agencies has always experienced delays. For example, report period I - 2009 (January-June 2009) recently delivered in November 2009, while reports period II - 2009 (July-December 2009) and the reports period I - 2010 (January-June 2010), until October 2010, have not yet been delivered.  <b>Based on the details above NC-2010-21; NC-2010-22 AND NC-2010-25 are closed. However CFA-2010.44 is published.</b>	X
S1		
S2		
S3		
S4		
8.1.2	<b>Records of follow-up actions taken against RSPO audit findings, if any.</b>	
PA	N/A	
MA	The company has shown evidence of follow-up efforts for the 37 non-conformity on the pre-assessment. The MUTU auditors' verification for the 37 non-conformity, 32 are declared closed and 5 are still declared open.	√
S1		
S2		
S3		
S4		

**Annex 2. Result of RSPO Panel Committee of Mutuagung Lestari - RSPO Certification of PT Ladangrumpun Subur Abadi and PT Sajang Heulang**

04 July 2011

No	Input and Responses
1	<p data-bbox="177 398 469 427"><b>Tony Arifiarachman</b></p> <p data-bbox="177 465 1412 533">In general, LSI &amp; SHE has adequate efforts for RSPO P &amp; C implementation, but should more attention to some of the following:</p> <p data-bbox="177 571 1412 674">Evaluation on water quality test should be done regularly and may organize an action plan to eliminate the causes of why the environmental elements of water quality test are higher than the tolerated threshold value.</p> <p data-bbox="177 712 1412 779">The mechanism of land claim settlement should be prepared as agreed by all parties (e.g. local communities, local government, etc)</p> <p data-bbox="177 817 1412 958">The organization should be provided an adequate training of First Aid for all employees; and organization should carry out appropriate evaluation on work accidents monitoring in order to give accurate preventive action taken against repetition of the same work accident which is based on the results of problem identification.</p> <p data-bbox="177 996 1412 1064">The company must present the social impact monitoring report with measurable parameters written in the RKL/RPL Implementation Report.</p>
2	<p data-bbox="177 1111 352 1140"><b>Conclusions</b></p> <p data-bbox="177 1178 1412 1245">Internal Independent committee (<i>Mutuagung Lestari</i>) agreed that PT LSI &amp; SHE is recommended to be a certified producer of SPO.</p> <p data-bbox="177 1283 1412 1350">This assessment report will be presented to the RSPO Secretariat for review and placement on the RSPO website for public comment before final approval.</p>

### Annex 3. List of Stakeholder Contacted in the RSPO Certification Process

No	Institution/Department	No	Institution/Department
1	Director of Annual Crops Cultivation. Plantation Directorate General Ministry of Agriculture	22	Chief of National Land Affairs Agency South Kalimantan
2	Director of Plantation Protection. Plantation Directorate General Ministry of Agriculture	23	Chief of BAPEDALDA Provincial Level South Kalimantan
3	Minister for Environmental Affairs Environmental Affairs Ministry	24	Lambung Mangkurat University
4	Minister for Commerce Commerce Ministry	25	District Chief of Tanah Bumbu
5	Head of Investment Coordination Board	26	Regional Secretary of Tanah Bumbu District
6	Head of the National Land Affairs Agency National Land Affairs Agency	27	Forestry and Plantation Agency of Tanah Bumbu District
7	Executive Director of GAPKI	28	Health Agency of Tanah Bumbu District
8	South Kalimantan Branch of GAPKI	29	Social, Labour and Transmigration Agency of Tanah Bumbu District
9	Sawit Watch Indonesia	30	Industry, Commerce, Cooperation & UKM Agency of Tanah Bumbu District
10	Green Peace Indonesia	31	Revenue Agency of Tanah Bumbu District
11	WWF Indonesia	32	Regional Development Planning Agency of Tanah Bumbu District
12	Executive Director of Wahana Lingkungan Hidup Indonesia (WALHI)	33	Environmental Impact Control Agency of Tanah Bumbu District
13	Executive Director of South Kalimantan Branch of WALHI	34	Licensing and Investment Service Agency of Tanah Bumbu District
14	Sumpit Community	35	Subdistrict Sungai Loban Head
15	Governor South Kalimantan	36	Subdistrict Angsana Head
16	Chief of Plantation Agency South Kalimantan	37	Angsana Village Chief
17	Chief of Forestry Agency South Kalimantan	38	Banjarsari Village Chief
18	Chief of Labour and Transmigration Agency South Kalimantan	39	Bayansari Village Chief
19	Chief of Health Agency South Kalimantan	40	Purwodadi Village Chief
20	Chief of Regional Investment Coordination Board South Kalimantan	41	Sebamban baru Village Chief
21	Chief of Natural Resources Conservation Office South Kalimantan	42	Makmur Village Chief
43	Regional Secretary of Angsana Sub district	46	Community leader of Sebamban baru Village
44	Regional Secretary of Sungai Loban Sub district	47	Sebamban baru community
45	Purwodadi community		

<b>Annex 4. Word Glossary</b>	
ANDAL	: Environmental Impact Analysis
PPE	: Personal-Protection Equipment
APAR	: Light Fire Extinguisher Equipment
ASE	: Angsana Estate
B3	: Hazardous Material
BAPEDALDA	: Regional Environmental Impact Agency
BLH	: Environmental Agency
BOD	: Biological Oxygen Demand
BPN	: Land Affairs Agency
BSS	: Block Spraying System
CITES	: Convention on International Trade of Endangered Species
COD	: Chemical Oxygen Demand
CPO	: Crude Palm Oil
CSR/CD	: Corporate Social Responsibility/Community Development
GSE	: Gunung Sari Estate
HCV	: High Conservation Value
HGU	: Business Rights
HIRAC	: Hazard Identification Risk Assessment Control
JAMSOSTEK	: Employee Social Security
K3	: Occupational Health and Safety
KAN	: National Accreditation Committee
LC	: Land Clearing
MA	: Main Assessment
MSDS	: Material Safety Data Sheet
MTE	: Mustika Estate
HCV	: High Conservation Value
P2K3	: Advisor Committee of Occupational Health and Safety
PA	: Pre Assessment
PBE	: Pantai Bonati Estate
P3K	: First Aid
IPM	: Integrated Pest Management
PK	: Palm Kernel
PKB	: Collaborative Agreement
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
PP	: Government Regulation
PSD	: Plantation Service Department
PUK	: Work Unit Leader
RKL	: Environmental Management Plan
RPL	: Environment Monitoring Plan
S1	: First Surveillance
S2	: Second Surveillance
S3	: Third Surveillance
S4	: Fourth Surveillance
SPSI	: The National Workers' Union of Indonesia
SPL	: Satuan Peta Lahan / Land Mapping Unit
FFB	: Fresh Fruit Bunche
UU	: Act