

Annual Surveillance Assessment Report

PUBLIC SUMMARY

Usine SAMO POM SARL AGRIVAR: Agro Industrie Variée Ivory Coast

Report prepared by: **David Ogg FICFor.** (Lead Assessor)
Certification decision by: **Hari Naveen Christopher** (Certifier)

Certifying Office

Control Union (Malaysia) Sdn. Bhd.
150-A, 1st Floor, Persiaran Raja Muda Musa,
Off Jalan Sg Bertih, Teluk Gadong, 41100
Klang, Selangor, Malaysia
rspo@controlunion.com
Tel: +603-3377 1600 / 1700

Local office

Control Union Columbia Ltda.
Calle 77B N 59-61,
Ofic. 709 Edif. Americas II,
Barranquilla, Columbia.
dpierrend@controlunion.com
Phone 57 (5) 385 1274

Control Union Certifications is a member of the Control Union World Group - an international inspection and certification body. CU performs assessments and certification in many agricultural based fields such as FSC, RSPO, and Organic production, Sustainable Textile Production, Organic Exchange, GLOBALGAP, HACCP, BRC, GMP and GTP.

CU is accredited by the Dutch Council of Accreditation (RVA) on the European quality standard EN 45011 for the inspection and certification of CU Organic program (according to the EU regulation 2092/91) and GLOBALGAP program. When requested a copy of the accreditation certificate can be obtained from CU.

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Table of Contents

PART 1: SCOPE OF THE CERTIFICATION AUDIT	4
1.1 COMPANY AND CONTACT DETAILS	4
1.2 RSPO MEMBERSHIP DETAILS.....	4
1.3 ANNUAL SURVEILLANCE ASSESSMENT DETAILS	4
1.4 ASSESSMENT TYPE	4
1.5 LOCATION OF THE PALM OIL MILL.....	4
1.6 PALM OIL MILL OUTPUT AND APPROXIMATE TONNAGES CERTIFIED.....	4
1.7 GENERAL DESCRIPTION OF SUPPLY BASE.....	5
1.7.1 Location of the Supply Base.....	5
1.7.2 Statistics of the Supply Base and Estimated Tonnes of FFB produced per year	5
1.7.3 Percentage (%) of Planted Oil Palm by different Age Ranges	5
1.7.4 Calculation of the Number of Production Units (N) to Sample for the Mill	6
1.8 PROGRESS OF ASSOCIATED SMALLHOLDERS OR OUT-GROWERS TOWARDS COMPLIANCE WITH RELEVANT STANDARDS - SHOULD BE IN ACCORDANCE TO THE 3 YEAR IMPLEMENTATION PLAN	6
1.9 LOCATION MAP FOR THIS CERTIFICATION UNIT (SEE APPENDIX 1)	6
PART 2: PARTIAL CERTIFICATION	7
2.1 MANAGEMENT STRUCTURE	7
2.2 NON-COMPLIANCE IDENTIFIED WITH 2.1 ABOVE	7
2.3 SUMMARY OF THE TIME BOUND PLAN.....	7
2.4 UN-CERTIFIED UNITS OR HOLDINGS	8
2.5 SUMMARY OF THE FINDINGS FOR PARTIAL CERTIFICATION.....	8
2.6 PARTIAL CERTIFICATION AUDIT AGENDA	8
PART 3: AUDIT PROCESS.....	9
3.1 ABOUT THE CERTIFICATION BODY	9
3.2 AUDIT TEAM	9
3.2.1 Qualifications of the Lead Auditor	9
3.2.2 Qualifications of the Assessment Team	10
3.3 AUDIT METHODOLOGY.....	10
3.3.1 General Overview	10
3.3.2 Audit Agenda	11
PART 4 ASSESSMENT FINDINGS	12
4.1 LEAD ASSESSOR'S SUMMARY AND RECOMMENDATION FOR CERTIFICATION.....	12
4.2 SUMMARY OF THE FINDINGS BY PRINCIPLE AND A SAMPLE OF THE CRITERIA	14
Principle 1: Commitment to Transparency.....	15
Principle 2: Compliance with Applicable Laws and Regulations	15
Principle 3: Commitment to Long-Term Economic and Financial Viability.....	16
Principle 4: Use of Appropriate Best Practices by Growers and Millers	16
Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity	16
Principle 6: Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers.....	17
Principle 7: Responsible Development of New Plantings	17
Principle 8: Commitment to Continuous Improvement in Key Areas of Activity	17
4.3 NON-CONFORMITY REGISTER AND REPORTS ON PREVIOUS NCs.....	18
4.4.1 Annual Audit NC Summary.....	18
4.4.2 Status of non-conformities (both Minor and Major) previously identified, even if already Closed Out.....	18
4.5 NON-CONFORMITY REPORT FOR NC IDENTIFIED DURING THIS ASA	19
4.6 OBSERVATIONS	19

4.7	ISSUES THAT WERE RAISED DURING THE STAKEHOLDER CONSULTATION AND COMPANY RESPONSES	19
PART 5: RSPO SUPPLY CHAIN CERTIFICATION		20
5.1	POM INCLUDED IN THE SCOPE OF THE AUDIT	20
5.2	SUMMARY REPORT INCLUDING A BRIEF DESCRIPTION OF THE SCOPE OF CERTIFICATION	20
5.3	CONFIRMATION OF THE COMPANY'S SUMMARY OF ANNUAL CERTIFIED VOLUME OF RSPO CERTIFIED PALM OIL AND PALM KERNEL OVER A SPECIFIED PERIOD	20
5.4	FINAL CERTIFICATION DECISION BY CONTROL UNION FOR THE RSPO SCC AUDIT.....	20
PART 6: CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		21
6.1	DATE OF NEXT ASA	21
6.2	DATE FOR CLOSURE OF NON-CONFORMITIES	21
6.3	SIGNING BY THE CLIENT	21
6.4	SIGNING BY THE LEAD AUDITOR	21
6.5	SIGNING BY THE CERTIFIER	21
PART 7: APPENDICIES		22
APPENDIX 1: LOCATION MAP FOR THIS CERTIFICATION UNIT		22
APPENDIX 2: LIST OF ABBREVIATIONS.....		23

PART 1: SCOPE OF THE CERTIFICATION AUDIT

1.1 Company and Contact Details

Company name:	SARL AGRIVAR: Agro Industrie Variée
Business address:	Côte d'Ivoire, Bonoua, (National A100, à environ 5km de la ville de Bonoua), axe Bonoua - Aboisso
Group name if applicable:	Agrivar.
Office telephone:	+225 21 56 0850
Contact person:	Hermann Brou
Mobile telephone:	+225 07 09 37 95
Fax:	+225 21 56 37 94
e-mail:	hermannassoua@yahoo.fr
Web site:	www.omvgroupe.com

1.2 RSPO Membership Details

RSPO membership number:	2-0219-11-30-20
Parent company as applicable:	n/a
Date of original certification:	15 th February 2012
Certificate number:	C817686CU-RSPO-01.2013
Date of last audit:	10 th November 2011 to 12 th November 2011

1.3 Annual Surveillance Assessment Details

Dates of this audit:	January 14 th 2013 to January 16 th 2013
ASA number (1 to 4):	ASA 1

1.4 Assessment Type

Annual Surveillance of the palm oil mill and supply base.

1.5 Location of the Palm Oil Mill

Palm Oil Mill (POM) Name	Location Address	Mill Capacity	GPS Reference	
		MT/Hour	Longitude	Latitude
Usine SAMO POM	Côte d'Ivoire, Bonoua, (National A100, à environ 5km de la ville de Bonoua), axe Bonoua - Aboisso	3.5mt / hour	05 16.904	003 31.692
Notes:	Plans are in place to increase to capacity 15 mt /hr in the first quarter of 2013			

1.6 Palm Oil Mill Output and Approximate Tonnages Certified

The 12 month output is the average over any 12 month period and the actual production for the 12 months from the date of certification will be included in the annual summary. These figures exclude any output product from non-certified suppliers.

For the 12 month period ending December 31st 2012, the mill received 16,400 mt of FFB.

The projected FFB input for 2013 is 30,000 mt.

Projected Production from last 12 Months (MT)			Actual Production (MT)			Projected Production for next 12 Months (MT)		
CPO	PK	PKO	CPO/IP	PK/IP	PKO/IP	CPO/IP	PK/IP	PKO/IP
5,760	1,420	-	3,573	656	-	6,500	1,200	-

Notes:

For the 12 month period Jan to Dec 2012 the OER is 21.78% for CPO.

The PK figure represents 4 % of the FFB input.

There have been no sales of RSPO products.

1.7 General Description of Supply Base

Sarl Agrivar operates a single palm oil mill in Côte d'Ivoire and has a supply base comprising 5 co-operatives. The project was set up to provide employment in the area and is very labour intensive. Further details can be found on <http://www.omvgroupe.com/#>.

The co-operatives with a total membership of 2,425 covering a total area of 10,117 ha. The average ownership is 4.17ha of oil palm and each oil palm plantation is an integral part of a small farm which may include other crops such as rubber, pineapple, cassava, and bananas etc., No two oil palm areas are adjacent and all areas are individually managed by their owners.

1.7.1 Location of the Supply Base

Oil Palm Plantation (OPP)		Location Address	GPS Reference	
CU Code	Name		Longitude	Latitude
OPP 1	BIOPALM	Bonoua, (National A100, à environ 5km de la ville de Bonoua), axe Bonoua Côte d'Ivoire,	05 16.886	003 31.712
OPP 2	COCAFE	Bonoua, centre ville, centre commercial KADJO Pierre. Côte d'Ivoire,	05 16.905	003 31.691
OPP 3	COOPPLATO	Bonoua., imeuble OTTRON Jean-Baptist BP 400 Bonoua.	05 15.780	003 36.113
OPP 4	COOPHAM	Maferé BP 722 Aboisso Cote D'Ivoire.	05 24.898	003 01.851
OPP 5	COOPHA	Adjouan, BP 422 Aboisso	0518.503	00°09.129

1.7.2 Statistics of the Supply Base and Estimated Tonnes of FFB produced per year

CU Code	Name	Area of Oil Palm (Ha)		Estimated Tonnes FFB/Yr	Planting Years	Cycle (Years)
		Total/Certified	Mature/Production			
OPP 1	BIOPALM	430	430	5,120	1993 to 2008	25
OPP 2	COCAFE	490	469	4,900	1993 to 2011	25
OPP 3	COOPPLATO	5406	4962	16,695	1993 to 2007	25
OPP 4	COOPHAM	2395	1555	10,602	1993 to 2008	25
OPP 5	COOPHA	1396	900	15,717	1993 to 2012	25

1.7.3 Percentage (%) of Planted Oil Palm by different Age Ranges

CU Code	Planting Years by 5 year Ranges				
	Prior-1995	1996-2000	2001 -2005	2006 – 2010	2011 – 2015
OPP 1	5	40	35	15	5
OPP 2	5	33	37	21	4
OPP 3	5	35	39	19	2
OPP 4	6	38	32	20	4
OPP5	26	10	0	40	24

1.7.4 Calculation of the Number of Production Units (N) to Sample for the Mill

$N = 0.8\sqrt{Y}$, where "Y" is the number of units, with the result always to be rounded "up" to the next whole integer. Where only a sample of the supply base is assessed, units not previously assessed, or assessed earlier in the certification program, are to be preferred over those more recently assessed.

For the Mill, how many units make up the production base?

Owned estates (Y)	$N = 0.8\sqrt{Y}$	Smallholders (Z)	$N = 0.8\sqrt{Z}$
0	0	2425	39.39 (40).

Explanation as to the selection of estates sampled

Sampling:

The total number of members is 2,425. The square root of 2,425 multiplied by 0.8 is 40 but this was considered to be too small a sample as 2 groups are located near and around the town of Bonoua and the other 2 groups are located near and around the town of Mafere.

Sampling was calculated for each group with attention to new members. Documentation relating to all members was inspected in the co-operative offices and whilst 68 individual farms were visited, a greater number were inspected in passing by from one farm to the next. The farms were found to be managed in very similar ways as would be expected with such small ownerships

1.8 Progress of associated Smallholders or Out-growers towards Compliance with relevant Standards - should be in accordance to the 3 year implementation plan

All the small-holders supplying the POM are included in the scope of the audit and the certificate.

1.9 Location Map for this Certification Unit (See Appendix 1)

Note: Individual maps of the group members are available from the co-operatives but it is not practical to reproduce them here. Each area of oil palm is individually managed as an integral part of a farm holding and the adjacent crops are all agricultural.

PART 2: PARTIAL CERTIFICATION

The rules for partial certification allow organizations that have a majority holding in and / or management control of more than one autonomous company growing oil palm to certify individual management units and / or subsidiary companies subject to certain rules.

2.1 Management Structure

Section	Criteria	Yes/No	If "Yes"	If "No"
2.1.1	Is the certified operation (POM and supply base as detailed above) a stand-alone operation and there are no other plantations or mills owned by the same company?	Yes	Section 2 is N/A	Go to 2.1.2
2.1.2	Is the certified operation part of a simple structure of operations owned by one company?	n/a	Go to 2.1.5	Go to 2.1.3
2.1.3	Are there statements of the ultimate controlling shareholders and directors in the managing agency company/companies: a. Explaining the legal relationship and the management arrangements with the subsidiary companies and / or with any operating groups?	n/a	Go to 2.1.4	Go to 2.2.1
2.1.4	b. A statement of commitment to complying with the spirit of the RSPO for all companies and subsidiaries involved with the growing of oil palm and for the production of palm oil?	n/a	Go to 2.4	Go to 2.2.2
2.1.5	Is there a time bound plan in place for all subsidiaries, estates and palm oil mills?	n/a	Go to 2.3	2.2.3
2.1.6	Is the parent company or one of its majority owned and / or managed subsidiaries a member of RSPO.	n/a		

2.2 Non-compliance Identified with 2.1 Above

Section	Non-compliance findings	NC raised	Category
2.2.1	There is no explanation as to the company's structure and therefore it is not possible to conduct an effective audit against the rules for partial certification.	n/a	Major
2.2.2	There is no statement of commitment to complying with the spirit of the RSPO for all companies within the company structure.	n/a	Major
2.2.3	There is no time bound plan in place for the certification for all subsidiaries, estates and mills.	n/a	Major
2.2.4	No applicable membership of the RSPO.	n/a	Major

2.3 Summary of the Time Bound Plan

Section	Requirement	Findings and any action required
2.3.1	Does the plan include all subsidiaries, estates and mills?	There are no subsidiaries or associated small holders.
2.3.2	Is the time bound plan challenging? ➤ Age of plantations. ➤ Location. ➤ Mill development. ➤ Infrastructure. ➤ Compliance with applicable law.	Not applicable.
2.3.3	Have there been any changes since the last audit? Are they justified?	Not applicable.

Section	Requirement	Findings and any action required
2.3.4	If there have been changes, what circumstances have occurred?	No.
2.3.5	Have there been any stakeholder comments?	No.
2.3.6	Have there been any newly acquired subsidiaries?	No.
2.3.7	Have there been any isolated lapses in the implementation of the plan?	No.
2.3.8	Has there been any systematic failure to proceed with the implementation of the plan?	No.
2.3.9	General statement as to progress made since the last audit?	No.

2.4 Un-Certified Units or Holdings

NOTE:	Companies may demonstrate compliance by clear evidence of a self-audit (i.e. an internal audit for all subsidiaries, estates and Palm Oil Mills)	
Section	Requirement	Findings and any action required
2.4.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Not applicable.
2.4.2	No replacement after dates defined in NIs Criterion 7.3 of: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	Not applicable.
2.4.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	Not applicable.
2.4.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	Not applicable.
2.4.5	Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	Not applicable.
2.4.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	Not applicable.

2.5 Summary of the findings for Partial Certification

The audit team assessed compliance with the above requirements during this audit. Failure to address any non-compliance identified may lead to certification suspension.

The Palm Oil Mill is an independent Palm Oil sourcing FFB from wholly independent small holders are formed into co-operatives as shown above. The rules for partial certification therefore do not apply.

2.6 Partial Certification Audit Agenda

Date	Location	Agenda
14/01/13	POM	Confirmation of the above.

PART 3: AUDIT PROCESS

3.1 About the Certification Body

Control Union Certifications is a member of the Control Union World Group – an international inspection and certification body. CU performs Audits and certification in many agricultural based fields such as FSC, RSPO, and Organic production, Sustainable Textile Production, Organic Exchange, GLOBALGAP, HACCP, BRC, GMP and GTP.

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3.2 Audit Team

Lead auditor:	David Ogg FICFor.
Team member 1:	Estelle Mbakop

3.2.1 Qualifications of the Lead Auditor

Requirement	Qualifications
A minimum of post high school (post-secondary school) training in either agriculture/forestry, environmental science or social sciences;	OND Forestry. Fellow of the Institute of Chartered Foresters.
At least 5 years professional experience in area of work relevant to the assessment (e.g., palm oil management; agriculture/forestry; ecology; social science);	Forest management from 1981 to 2006. Oil Palm audits from 2006 to date.
Training in the practical application of the RSPO criteria, and RSPO certification systems;	RSPO lead auditors training course, Sept 2011. Self-trained in all RSPO procedures and conducts training for CUC auditors as well as training seminars for the industry.
Successfully completion of an ISO 9000:19011 lead auditors course;	Completed in 2007.
Training in the practical application of RSPO certification systems.	Developed the original systems for CUC and runs an RSPO-endorsed RSPO SCC lead auditors course.
A supervised period of training in practical auditing against the RSPO criteria or similar sustainability standards, with a minimum of 15 days audit experience and at least 3 audits at different organisations.	Extensive audit experience since January 1998. RSPO P&C audits covering over 1 million ha. Malaysia, Indonesia, The Ivory Coast, Gabon, Colombia and Guatemala. RSPO Supply Chain Certification. FSC forest management. FSC and PEFC chain of custody. Global Organic Textile Standard. Organic Exchange. Green Gold Label. (Bio-fuels). Successful accreditation process as Managing Director of TimberCheck (Forest Certification) Ltd. UKAS / PEFC.
RSPO endorsed lead auditors course.	Completed and passed September 2011.
Signed code of conduct.	Signed with CUC.
General knowledge of:	
<ul style="list-style-type: none"> RSPO P&C standards. 	Sound knowledge of the P&Cs, Nis and Local Interpretations.
<ul style="list-style-type: none"> CUC organizational structure. 	Sound understanding and has prepared training documents for others.
<ul style="list-style-type: none"> CUC quality systems. 	Sound understanding and has prepared training documents for others.
<ul style="list-style-type: none"> Lead auditor role. 	ISO 9001. Prepared an ISO 19011 training course and

	conducts internal training on auditing techniques.
• Report writing.	Extensive experience in report writing.
• Stakeholder consultation.	The process and need for this is fully understood.
• Certification decision process.	Full understanding.
• RSPO SCCS program manual.	Full understanding.
• CUC filing systems.	Full understanding.
• Correct use of RSPO trademarks.	Full understanding.
• History and objectives of RSPO.	Full understanding.
• CV available.	Upon request.
Completion of CUC RSPO lead auditor training.	Completed and passed September 2011.

3.2.2 Qualifications of the Assessment Team

RSPO Requirement	Team Member Name	Qualifications
Fluent in main local languages and English.	David Ogg	Fluent in English
	Estelle Mbakop	Fluent in local language. Native of Cameroon.
Field working experience in the palm oil sector, or a demonstrable equivalent.	David Ogg	Forest management which includes silvicultural practices similar to the agronomic practices of the oil palm industry.
Good agricultural practices (GAP), integrated pest management (IPM), pesticide and fertilizer use.	David Ogg	Forest management which includes silvicultural practices similar to the agronomic practices of the oil palm industry.
Health and Safety auditing on the farm and in processing facilities. (For example OHSAS 18001 or occupational. Health and safety assurance system).	David Ogg	Forest management which includes H&S. Extensive audit experience.
Workers welfare issues and social auditing experience. (For example with SA8000 or related social or ethical accountability codes).	David Ogg	Social auditing of forest management systems, organic textile social criteria and oil palm auditing.
	Estelle Mbakop	Social auditing.
Environmental and ecological auditing. (For example experience with organic agriculture, ISO 14001 or environmental management systems).	David Ogg	Forest management which includes environmental assessments and extensive oil palm audits. Conducted audits covering over 1.3 million ha of oil palm.
Economic issues.	David Ogg	Managing director of previous companies.
	Estelle Mbakop	Business management.

3.3 Audit Methodology

3.3.1 General Overview

The Audit was carried out in conformity with the procedures as laid down in the CUC Procedure Manual and the RSPO Program Manual for the assessors and Certifier. During the Audit the qualified CUC assessors used the RSPO standard as endorsed for the country in which the Audit took place and recorded their findings.

Workers and local communities were interviewed and evidence sought to confirm on-going compliance to include:

- **Fertiliser.** Discussion with co-operative managers and small holders.
- **Field inspections.** Harvesting sites and efficiency. Field observations of all operations.
- **Worker interviews.** OSH. Sexual, religious, racial harassment. Pay and contracts. Child labour. First aid. Awareness.
- **Re-planting sites.** Zero burn.
- **HCV's.** None present.
- **Riparian zones.** None present.
- **Water management.** None present.
- **Road maintenance.**
- **Social amenities.**
- **Local communities.**
- **Workshops.** None present.
- **Documentation review.**

Palm Oil Mill audits include:

- **Mill and workshop inspections.** Documentation. Worker interviews.
- **Mill.** SOP's. Safe working environment. Walk ways. Signs. EFB. POME treatment. Emissions. Diesel tanks. PPE. Fire extinguishers. First aiders and boxes. Fuel and water usage.
- **OSH.** Training. Management structure. First aiders.
- **Full document review.** Completion of the checklist. Review and documentation of evidence. All aspects of RSPO P&C's applicable.
- **Worker interviews.** OSH. Sexual, religious, racial harassment. Pay and contracts.

Verification:

Verification of implementation was done through field observations, workshop and store inspections, worker and community interviews and mill inspections as summarized above.

3.3.2 Audit Agenda

3.3.2 Audit Agenda	
Monday 14th January 2013.	
Location:	Usine SAMO POM.
Time:	0900
Auditors:	All
Purpose:	Opening meeting.
Location:	Co-operatives.
Time:	1000 - 1700
Auditors:	All
Purpose:	COCAFE. BIOPALM. Review of office procedures and field audit of members.
Tuesday 15th January 2013.	
Location:	Co-operatives.
Time:	0900 - 1700
Auditors:	All
Purpose:	COOPPLATO. COOPHAM. COOPHA. Review of office procedures and field audit of members.
Wednesday 16th January 2013.	
Location:	Usine SAMO POM.
Time:	0900 – 1400.
Auditors:	All.
Purpose:	<ul style="list-style-type: none"> • Mill and workshop inspection. Document inspection and assessment. • Interview with members of COOPPLATO and BIOPALM.
Location:	Usine SAMO POM.
Time:	1600 – 1700
Auditors:	All.
Purpose:	All Closing meeting.
Number of auditors participating: 2	
Number of days spent for the audit on site: 3	
Total number of person days used for the audit on site: 6	

PART 4 ASSESSMENT FINDINGS

4.1 Lead Assessor's Summary and Recommendation for Certification

ASA1

It is noted that membership of all co-operatives has increased since the main audit conducted in November 2011. This is not what was expected at that time but due to changes in political and financial situations, the palm oil mill is expanding its capacity and the co-operatives are finding a demand from local farmers for membership. All co-operatives have rules for bringing in new members and the procedures are being implemented.

Co-operative COOPHA is now included in the audit and the scope of the certification. COOPHA was included in the original stake-holder consultation letter:

Single project applicable:		SARL AGRIVAR: Agro Industrie Variée
Co-Operatives included in the project:		
Name	Location	Area ha
BIOPALM	Bonoua, (National A100, à environ 5km de la ville de Bonoua), axe Bonoua Côte d'Ivoire,	363.50
COCAFE	Bonoua, centre ville, centre commercial KADJO Pierre. Côte d'Ivoire,	353.00
COOPPLATO	Bonoua., immeuble OTTRON Jean-Baptiste BP 400 Bonoua.	5362.12
COOPHAM	Maféré BP 722 Aboisso Cote D'Ivoire.	2070.00
COOPHA	Adjouan, BP 422 Aboisso	900.00
Note: Not all the FFB produced by these co-operatives is sold to the palm oil mill Usine SAMO		

The above table is taken from the original application and from the stake-holder letter and illustrates how the areas of oil palm have increased compared to the table shown in 1.3 above.

Introduction to Agrivar

Agrivar Agro Industrie is limited company located in Bonoua. The company owns the palm oil mill named above and is acting as part of the group management administration of the 5 co-operatives in assisting their compliance with the RSPO group requirements and the RSPO principles and criteria as adapted for Ivory Coast by way of a local interpretation.

The relationship between Agrivar and the co-operatives is as follows:

1. There is contract between Agrivar and the co-operatives whereby the co-operative will supply Agrivar with a certain tonnage of FFB against a fair price fixed by the National State.
2. Agrivar provide technical and logistical support for the growing and transportation of the FFB.
3. In order to comply with RSPO group scheme, Agrivar has appointed 2 employees to conduct awareness training with regard to agricultural practices and to inform Cooperatives about the RSPO principles and Criteria. At least annual visits are made to each co-operative member.

The membership of each co-operative comprises individual farmers and landowners who are allowed to plant what they like on their smallholdings. Oil Palm is considered to be just one crop of many which may include rubber, pineapples, fruits and root crops. The largest individual area of oil palm was found to be 15ha and at no time were two plantations adjacent to each other. Therefore the individual farmers are truly independent from each other and each owner directly managed their own plantations.

Land ownership is through tradition and is passed down through the family. Each owner has intimate knowledge of their land and boundaries are normally made by a change of crop and no land title or land issues were noted. All the farmed land, which includes oil palm, has been under cultivation for several decades if not generations, and there are no traditional rights involved. Local culture and the almost non-existent movement of local people, means that local people know each other and any disputes are resolved by verbal means and

agreement at a local level – if indeed any disputes arise. Any primary forest was cleared in the distant past and whilst the Ministry of the Environment has provided maps to sow sensitive areas, the co-operative members are not affected. Local knowledge of graveyards and forest areas that are important for cultural or religious reasons are known to locals and no planting has taken place.

One of the co-operatives is for growers who have demonstrated organic practice, defined as no use of artificial fertiliser or herbicide. In an area where incomes are low, the use of herbicides and pesticides is restricted by economic factors and is infrequently used in any case. Oil palms are grown on a 25 year cycle and due the scale of the operations, the agronomy is very simple.

The co-operatives are as well organized as is necessary to fulfill their role which is primarily concerned with the marketing of FFB. They have central records and all members are visited at least once per year by an agronomic advisor. The scale of the operations and the simplicity of the agronomy do not call for detailed reports and observations are generally made verbally. This is also necessary as literature skills are not necessarily in place. The audit team concentrated on field observations and interviews to ascertain compliance with the sustainability criteria for oil palm growing and the co-operatives are commended for their work. They all have a clear set of rules and members have contracts and agreements and these are being supplemented with a letter which further confirms the commitment of each member to manage in accordance with RSPO principles and criteria.

The co-operatives are encouraged to work more closely together with regard to agronomical advice as it is important that advice is given that can enhance yields at no cost to the members.

Whilst advisors from the co-operatives are working together in a more constructive way and further co-operation is encouraged particularly with regard to agronomical advice as it is important that advice is given that can enhance yields at no cost to the members.

BIOPALM

Biopalm is now formally recognised by the local Government and has also been certified as organic for EU standard and now will seek Bio Suisse certification. The number of members has increased. The new members were visited by the co-operative officers to inspect the condition of the farms and to confirm that no artificial chemicals are being used. If artificial fertilisers are in use, a period for three years must lapse before the crop is deemed to be organic. Each farmer signs a declaration that they will manage on accordance with RSPO requirements as well as organic requirements. The new member is then registered. There is an excel record of all members to show Zone, Parcel, Name, Locality, Telephone, Area, Production per year, Age, distance to mill, Co-ordinates and a record of the last date of use of any herbicide. There are also financial records for each member with regard to all aspects of their management including FFB sales.

For the ASA, 5 of the new members were audited (25% sampling) and 5 of the original members (10%). This sampling is in excess of 0.8 x sq rt of the total members.

COCAFE

The number of members has grown to 90 from 59 over the past 12. Potential new members complete an application form and they have to declare that they will conform to RSPO requirements and they are given training. Records and procedures are as for BIOPLAM. The records of all members were inspected and representative samples of the farms were visited.

COOPHAM

Since the main audit there have been 90 new members and the gross area of oil palm has increased to 2,395ha. There are 840 ha of unproductive land represented by re-planted palms and some of the new members with a young age structure.

Members are divided into 7 zones and there is one advisor per zone who visits all members throughout the year. Weekly and monthly reports are prepared.

The annual production averages at 10.5mt of FFB per ha.

New members make an application with their identity card and a full explanation is given regarding the rules of the group. A verbal explanation is necessary due to limited or non-existent literary skills of members. Less than 10% of total area is fertilised at a rate of 500grms NPK per plant for immature plants at 1kg per mature plant

and the use of herbicides (Glyphosate) is used on less than 12%. Both fertiliser and herbicides are purchased by individual farmers and training is given by the co-operative. Glyphosate is used at 1litre per ha diluted in 200l of water.

FFB is delivered by the co-operative to the palm oil and co-operative distributes the payments from the mill to the farmers. A representative sample of the members is 8 of the new members and 18 of the original members. 16 members were interviewed at the office and 10 further sites were visited.

COOPHA ADJOUAN

This co-operative was included in the original stake-holder consultation and involved in the preparation of the LI for Ivory Coast. All the members are only oil palm producers. It was formed in 2005 and have 318 members with an area of 679 ha of unproductive (immature) and 1,396.22 ha in production. Potential members approach the co-operative and express a desire to join. An identification card is required and an explanation of the rules is given. A number is given for the farm and the co-operative then inspects the farm and conducts training. There are 10 full time advisors who are trained by an agronomist and visits are made to the farmers twice per month and this is the same for COOPHAM members. A computer record is made for farmers to include the monthly production. Records of payment are kept separately.

A representative sample of members is 15. Records were reviewed for all members and

COOPPLATO

This is the largest co-operative with 1,393 members with a total area of 5,406 ha. The mature area is 4,962 ha with the immature crop making up the balance. New members complete an application form and it now hoped to bring in more members in 2013. Training of new members by a support team to give advice to all members. The training team comprises 5 people who are trained agronomist who have many years of experience in the oil palm industry. The most highly qualified person is in charge and is responsible for ensuring that best practice is implemented by all members. Advice starts with the best sort of seed to purchase and goes through planting techniques, maintenance and through to harvesting and transport of the crop to the palm oil mills. All members receive a visit at least once year and a report is prepared by the advisor and by the chief advisor. An agricultural manual is available that is very clear and simply laid out for all agronomical practices and is used for training the trainers. FFB is delivered to a number of palm oil mills and maybe directly sold by the member or through the co-operative in which case all money is accounted for and paid to the individual member. A total of 16,695 mt of FFB was produced in 2012. The apparent yields are low because fruits are also used for local cooking and some fruits are sold to mills directly. Herbicides and fertilisers are used where labour is not available for cleaning and weed control. Financial constraints severely limit their use but training is carried out for all members as part of the visits. The purpose of training is to reduce the amount of herbicide being used. 2 insurances: Health and life insurance is in place.

It is therefore the recommendation of the lead assessor that:

- A certificate of compliance is maintained.

Signed: 

Name: David Ogg FICFor.

Date: 16th January 2013.

4.2 Summary of the findings by principle and a sample of the Criteria

- Over the 5 year period of the life of the certificate, there will be 4 annual surveillance audits
- Identified Non-Conformities and noteworthy Positive and Negative Observations.
- The RSPO require that this report contains findings by each principle and some example criteria. Please see table below.

Annual Surveillance Assessment Summary		
Example Criteria and findings		
Principle 1: Commitment to Transparency		
Example Criterion	Summary	
		<ul style="list-style-type: none"> The scale and tradition of the oil palm plantations – no larger than 15 ha and totally unconnected – means that there are no environmental and social issues applicable to be made publicly available. However, the Ministry of the Environment has prepared a map to show environmentally sensitive areas none of which impede on the co-operative members. Each co-operative makes available to all members the applicable documents for membership. All information and documents are freely available in the POM including current and past FFB prices.
ASA 1	1.1	<p>POM: All requests are recorded in a book. This starts at the gate, which is manned 24 hrs per day. Very clear details are kept which include the date, the person, contact detail, the organisation, information requested, the company response and the person that responded. A wide of variety of requests for information have been made but the main request relate to the purchase of FFB and CPO.</p> <p>Co-operatives: Group rules. Group data base. FFB prices and statements of accounts.</p>
ASA1	1.2	<p>POM: Public documents are available and current and past FFB prices. All information and documents are freely available to any third party.</p> <p>Co-ops: Monthly reports and notices of FFB prices. Financial records.</p>
Principle 2: Compliance with Applicable Laws and Regulations		
Example Criterion	Summary	
		<p>Compliance with the law in all areas audited. The laws affecting the oil palm industry are listed and available to all co-operatives and their members.</p> <p>POM: A full list of all the relevant laws and regulations is maintained. No evidence of non-compliance was noted as the principal laws and regulations relating to the mill concern health and safety and the environment. These are covered in the applicable principles below.</p> <p>All the laws are documented in a spread sheet which includes actions taken by the company to comply. It also includes the date from when they complied with the law. There is a clear action plan to ensure compliance where they have identified non-compliance.</p> <p>A 99 year lease is in place for the use of the land as a Palm Oil Mill. The lease includes a detailed map of the location at a scale of 1:2500.</p> <p>Co-ops: Traditional land use by the farmers, linked to either organic production or severely limited use of agro-chemicals results in compliance with the law by default.</p>

		<p>The POM has the necessary licenses in place and is operating in accordance with OHS requirements.</p> <p>The small areas of ownership are well known to each farmer / member and no disputes were noted.</p>
Principle 3: Commitment to Long-Term Economic and Financial Viability		
Example Criterion	Summary	<p>POM: A 5 year projection of income and expenditure is updated on a rolling basis. This details developments in then mill, updating equipment and costs of environmental improvements. There is a plan with projected images of how the site will appear in 5 years that also include a pharmacy, landscaping, new buildings and storage areas. It is noted that the work completed since the pre-assessment in June 2011 is impressive and demonstrates a full commitment by the company to improve the efficiency of the mill and the social amenities.</p> <p>Co-ops: The co-operatives are well organised and funded by contributions from members. No re-planting anticipated for at least 5 years. The planting years show that the oldest oil palm is 19 years old. The accounts of the co-operatives are up to date. It is not practical to expect smallholders to have any sort of management plan.</p>
Principle 4: Use of Appropriate Best Practices by Growers and Millers		
Example Criterion	Summary	SOPs are in place for the mill and awareness training and documents are available for the co-ops.
ASA 1	4.1	<p>POM: This starts with a flow diagram for the POM showing all the processes involved. There are detailed procedures for each and every step in the flow diagram. They have been prepared with the involvement of the workers and full updates are recorded. This is a comprehensive manual that is practical and demonstrably implemented. As the workers have helped to prepare the procedures, they are implemented on a daily basis and the workers are well supervised but the mill manager. Each procedure has a record of monitoring and updates. For example: Procedure for the reception of fruit. Daily monitoring of receipts in accordance with the procedure and clear records on a computer data base.</p> <p>Co-ops. The management of the oil palm is very simple. The management of individual farms which are wholly separate small plantations of less than 15 ha. Agrivar has prepared a agronomy file for all procedures and this is available to all group members.</p>
ASA 1	4.5	The scale of the operations and the monitoring by the advisors has concluded that IPM is not applicable. This was considered at the main audit and re-visited at the ASA. The co-operatives are encouraged to consider the planting of beneficial plants but they do not consider it necessary as there is no history of pest damage.
Principle 5: Environmental Responsibility and Conservation of Natural Resources and Biodiversity		
Example Criterion	Summary	<p>An environmental impact assessment was prepared for the site prior to the mill being built and included visual and noise impact, air pollution, energy use, hydrology reports and every process involved with palm oil production. A management plan was prepared for each identified impact.</p> <p>A program for improvement is included and is being demonstrably implemented</p>

ASA 1	5.6	<p>The emissions from the boiler are monitored and includes CO₂, CO, SO₂ and NO₂ levels. This report is made every 3 months and is used to demonstrate compliance with environmental ministry requirements.</p> <p>The quantity of POME produced is low as only 3.3 mt of water are used per hour. The POME is filtered through sand and stone beds and the solid removed is dried and ground for fertilizer. This is sold to local farmers. The liquid that is now filtered then passes through 4 holding tanks and will take at least 45 days before final discharge. The POME is stored in an underground tank and when suitable for use for irrigation, it may be taken by tanker to individual farms for irrigation or it may be sent to the local municipality for final treatment.</p>
Principle 6: Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers		
Example Criterion	Summary	An SEIA for the mill is in place and all aspects of principle 6 are covered as applicable to the mill. The co-operative members are individual farmers with small individual land holdings.
ASA 1	6.5	<p>All the employees have a signed contract with AGRIVAR. Copies checked at office.</p> <p>Contracts of pay and conditions are documented and are in compliance with the law.</p>
ASA 1	6.11	The POM employs 93 full time workers and this increases to 235 with seasonal workers. Therefore the contribution to the local communities is significant as an important employer.
Principle 7: Responsible Development of New Plantings		
Example Criterion	Summary	No new planting.
Principle 8: Commitment to Continuous Improvement in Key Areas of Activity		
Example Criterion	Summary	The work that the POM has done over the past 2 years is impressive in increasing the capacity and the infrastructure.
ASA 2	8.1	<p>A clear 5 year plan for improvement in all aspects of mill management.</p> <p>On-going awareness training with regard to health and safety and IPM.</p> <p>The use of agro-chemicals is strictly limited to glyphosate in very small quantities already and no potential area for improvement is noted.</p>

4.3 Non-conformity register and reports on previous NCs

This section gives an over view of new or revised non-conformities raised during this audit and of action taken to close out non-conformities raised during the previous audits.

- If a minor-non-conformity raised at the last audit, is not closed out, then this will be raised to Major status and the company given 60 days to close this out.
- The NC number is comprised of 2 parts to include the year in which the NC was raised as well as a sequential number.

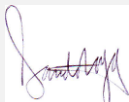
4.4.1 Annual Audit NC Summary

Annual Audit Date:	24 th September 2012
Number settled:	2
Number outstanding:	0

4.4.2 Status of non-conformities (both Minor and Major) previously identified, even if already Closed Out

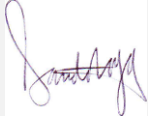
NC number:	No outstanding NCs. No NCs raised at ASA1.
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NON CONFORMITY REPORT

NC number:	2011/01
Client name:	Agrivar.
Date raised:	12/11/11
Major or Minor:	Minor
Raised by:	David Ogg
Aspect of standard: 4.5.1.	
An IPM plan is documented and current. Group managers should provide regular training to group smallholders in IPM techniques (incorporating cultural, biological, mechanical or physical methods – see 4.8) to minimise use of chemicals and provide appropriate assistance for application. More detailed guidance should be given in the national interpretations	
Closure:	
This issue was discussed with all the co-operative managers and IPM is now included in the manuals and for training. The cost of beneficial plants is a limiting factor and as there have been no problems with pests and diseases, the planting of beneficial crops is not considered necessary.	
Closure.	
This NC is closed. Assessors signature: 	
Date: 16 th January 2013	

NON CONFORMITY REPORT

NC number:	2011/02
Client name:	Agrivar.
Date raised:	12/11/11
Major or Minor:	Minor
Raised by:	David Ogg
Aspect of standard: Group standard.	
Awareness training in general.	
Closure.	
The use of herbicides has decreased and training takes place as confirmed by interview.	
Closure.	
This NC is closed. Assessors signature:	



Date: 16th January 2013

4.5 Non-Conformity Report for NC identified during this ASA

None noted.

4.6 Observations

2013/001	Each co-operative has agricultural advisors and they are encouraged to work more closely together to provide practical but inexpensive agricultural techniques to improve yields and to ensure FFB quality. For example: Moisture traps.
2013/002	Whilst the co-operatives have good record keeping, their ability to produce simple and factual reports and statistics is poor. They are encouraged to improve their IT skills.
2013/003	The POM has insurance for all workers and the co-operatives have different arrangements with different palm oil mills. It is suggested that the co-operatives and palm oil mill liaise with all the palm oil mills to ensure that costs are saved.

4.7 Issues that were raised during the Stakeholder Consultation and Company Responses

The subjects raised and responses by the company will be reviewed at the first annual surveillance audit. Subsequent annual surveillance audit reports will include any subjects raised during the period of certification and during the annual surveillance audit.

Subject raised	Company response and proposed action to be taken	Audit team findings
None noted.		

PART 5: RSPO SUPPLY CHAIN CERTIFICATION

The palm mill mentioned in the scope of the audit was audited against the requirements of the following:
RSPO Supply Chain Certification Systems. November 2011.
RSPO Supply Chain Certification Standard. November 2011.

5.1 POM included in the scope of the audit

CU code:	Name of facility	Location address	Supply Chain Model
POM	Usine SAMO POM	Côte d'Ivoire, Bonoua, (National A100, à environ 5km de la ville de Bonoua), axe Bonoua - Aboisso	IP

5.2 Summary report including a brief description of the scope of certification

With regard to the RSPO Principles and Criteria, the mill has clear procedures for all work and a comprehensive risk assessment that identifies all hazards and their associated risks. All workers are trained in OHS matters and are provided with appropriate personal protective equipment which is worn. Environmental awareness is high and the sources of pollution are identified principally as POME and air quality. POME is treated in a series of filtration beds and holding tanks and takes at least 45 days from input to output. Dried POME is processed for fertilizer. Fiber and shell is all utilized as a bio-fuel in the boiler and electricity is from the government supply. There is a full list of local and national laws that must be complied with and the company clearly demonstrates compliance and a desire to ensure that they are fully up to date. Plans are in place to include a generator and extension plans include a clinic and new storage facilities.

With regard to SCC, all FFB is purchased from 5 co-operatives and they are all included in this assessment with 100% of FFB certified. FFB purchased and processed is RSPO certified and so all out going CPO and PK will be RSPO SCC IP compliant.

5.3 Confirmation of the company's summary of annual certified volume of RSPO certified Palm Oil and Palm Kernel over a specified period

Product:	CPO (MT)	PK (MT)	Specified 12 month period
CU Code			
POM	3,573	656	Actual production for 12 month period 1 st Jan 2012 to 31 st December 2012. Nothing was sold as RSPO certified.

5.4 Final certification decision by Control Union for the RSPO SCC Audit

Recommendations made:	Yes
Summary of non-compliances:	Full compliance was found.
Certification status of client:	The POM included in the scope of this audit demonstrated full compliance with the RSPO SCC Standard. With effect from the certification date given in the RSPO PC certificate, this POM mentioned in the scope of this report is considered to be certified in accordance with the RSPO SCC Standard.

PART 6: CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

6.1 Date of next ASA

The provisional date for the next ASA is:	ASA next year (March 2014)
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6.2 Date for Closure of Non-Conformities

See sections above for details of NC's, if any

- | | |
|----------------------------------|---|
| • All major NCs to be closed by: | - |
| • All minor NCs to be closed by: | - |

6.3 Signing by the Client

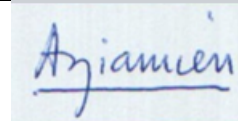
I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document .

I also confirm:

- Acceptance of liability in execution of the instructions given.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Control Union Certifications.
- That during the closing meeting all agenda items was covered by the Lead Auditor.

Acknowledged by:

Name:	Athanase K NIAMIEN
Position:	General Manager
Date:	16 th January 2013



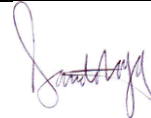
Signature

6.4 Signing by the Lead Auditor

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Acknowledged by:

Name:	David Ogg FICFor.
Position:	Lead Auditor
Date:	16 th January 2013



Signature

6.5 Signing by the Certifier

I the undersigned, being the Certifier, confirm that the information and conclusions included in this report have been prepared in good faith and that the certification decision has been based upon this information.

Acknowledged by:

Name:	Hari Naveen Christopher
Position:	Certifier
Date:	8 th May 2013



Signature

PART 7: APPENDICES

Appendix 1: Location Map for this Certification Unit

From 1.9, the location map(s)



Echelle : 1/700 000

Source BNETD/CCT-novembre 2000



Sites des plantations investiguées

Fig. 1 : Localisation des sites de production des producteurs affiliés à AGRIVAR

Appendix 2: List of Abbreviations	
BRC	British Retail Consortium
CHRA	Chemical Health Risk Assessment
CoC	Chain of Custody
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
CU	Control Union
CUC	Control Union Certifications
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
ERT	Endangered Rare or Threatened species
EU	European Union
FFB	Fresh Fruit Bunch
FSC	Forest Stewardship Council
FSC COC	Forest Stewardship Council Chain of Custody
FSC FM	Forest Stewardship Council Forest Management
GGL	Green Gold Label
GMP	Good Manufacturing Practice
GOTS	Global Organic Textile Standard
GTP	Good Trading Practice
GPS	Global Positioning System
HACCP	Hazard Analysis and Critical Control Point
HCV	High Conservation Value
HCVF	High Conservation Value Forest
IPM	Integrated Pest Management
JAS	Japanese Agricultural Standard
MDC	MDC Publishers Sdn Bhd (Company Name)
MSDS	Material Safety Data Sheet
NC	Non Conformity
OE	Organic Exchange
OSH	Occupational Safety and Health
OSHAS	Occupational Safety and Health Assessment Scheme
P&C	Principle and Criteria
PEFC	Programme for the Endorsement of Forest Certification
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
RSPO NI	Roundtable on Sustainable Palm Oil National Interpretation
SA8000	Social Accountability 8000
SIA	Social Impact Assessment
SOCISO	Social Security Organisation
SOP	Standard Operating Procedure
USDA/NOP	United States Department of Agriculture – National Organic Program
MT	Metric Tonnes
WHO	World Health Organization