



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

Plantation Manager/Owner : **Minamas Plantation - SIME DARBY Group**  
 Plantation Name : **PT. Kridatama Lancar**  
 Region and Country : **Central Kalimantan – Indonesia**  
 Certificate Code : **MUTU-RSPO/003**  
 Date of certificate issue : *July, 05<sup>th</sup>, 2011*  
 Date of expiry of certificate : *July, 05<sup>th</sup>, 2016*

	<b>Assessment date</b>	<b>Report finalisation date</b>	<b>PT Mutuagung Lestari auditor</b>	<b>Checked by</b>
<b>PA</b>	22-25/03/2010	19/07/2010	Taufik Margani; Deni A. Novendi; Aryo Gustomo; Muardi Marwas	Tony Arifiarachman
<b>MA</b>	20-25/09/2010	01/10/2010	Deni A. Novendi; Taufik Margani; Muardi Marwas, Ibnu Prabudi	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>
09/12/2010	23/03/2011	17/06/2011	27/06/2011

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 MUTU Certification • Approved by RSPO Executive Board on June 2008

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<b>1.0</b>	<b>SCOPE OF THE CERTIFICATION ASSESSMENT</b>	
<b>1.1</b>	<b>National Interpretation Used</b>	Principles and Criteria Sustainable Palm oil Production for Republic of Indonesia issued by RSPO Indonesia National Interpretation Working Group- RSPO INA-NIWG, May 2008.
<b>1.2</b>	<b>Organisational Information</b>	
1.2.1	Company name	<b>Minamas Plantation - SIME DARBY Group</b>
1.2.2	Contact person	Mohamad Pirabaharan
1.2.3	Business 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@simedarwin.com">mohamad.pirabaharan@simedarwin.com</a>
1.2.7	Website	<a href="http://www.simedarwin.com">www.simedarwin.com</a>
1.2.8	Type of enterprise	Private
1.2.9	Application information completed by duly authorized representative	Mohamad Pirabaharan (Head of TOEM Plantation)
1.2.10	Number of workers/ employees	2,109 persons*
1.2.11	Contractors/community/other workers	31 persons*
		* source: SOU Sukamandang Plantation unit
<b>1.3</b>	<b>Type of Assessment</b>	
1.3.1	Scope	Palm oil mill and estate
1.3.2	Type of certificate	Single
1.3.3	Names of company covered in this certificate	<b>PT Kridatama Lancar</b>
1.3.4	Number of management unit	1 (one) unit of palm oil mill (Sukamandang POM) which receives FFB supply from 4 (four) units' estates; they are: Sukamandang Estate (SME), Kuala Kuayan Estate (KKE), Sapiri Estate (SIE), and Baras Danum Estate (BDE).
<b>1.4</b>	<b>Location of plantation, mill and hectare</b>	
1.4.1	Location of Plantation	
	Latitude	1° 02' 09" S - 2° 07' 03" S
	Longitude	112° 17' 07" E - 112° 26' 34" E
1.4.2	Location of Mill	
	Latitude	02° 03' 51.2" S - 02° 03' 69.8" S
	Longitude	112° 18' 08.3" E - 112° 18' 93.8" E
1.4.2	Map	Figure 1
1.4.4	Country	Indonesia
1.4.5	Region	South East Asia

1.4.6	Village/District/Regency/Province	Sukamandang/Seruyan Tengah/Kotawaringin Timur/Kalimantan Tengah	
1.4.6	Land ownership		
1.4.6.1	Private properties	0 ha	
1.4.6.2	State properties	14,779.92 ha*	
		(*Based on HGU Certificate No. 11 year 1999 )	
1.4.6.2	Community properties	0 ha	
<b>1.5</b>	<b>Description of raw material source*</b>		
1.5.1	Total area	14,779.92 ha	
1.5.2	Mature area	10,291 ha	
1.5.3	Immature area	3,016 ha	
1.5.4	LC program plan	345 ha	
1.5.5	Emplacement	203 ha	
1.5.6	Road	571 ha	
1.5.7	Factory	16 ha	
1.5.8	Occupation	57 ha	
1.5.9	Use of other areas	280.92 ha	
1.5.10	Types of product	Fresh fruits Bunch (FFB)	
1.5.11	Annual productivity Year 2005 - August 2010	20.70 ton/ha/year	
1.5.12	Actual Productivity August 2010	17.57 ton/ha/year	
		<i>* source: SOU Sukamandang Plantation unit</i>	
<b>1.6</b>	<b>Date of Planting Cycle</b>		
1.6.1	Age spread of plant *		
	<b>Estate/planting year</b>	<b>Width (hectare)</b>	<b>Age (year)</b>
	<b>SME</b>		
	1994	104	16
	1995	178	15
	1996	1,230	14
	1997	2,124	13
	<b>SIE</b>		
	1997	165	13
	1998	532	12
	1999	492	11
	2000	643	10
	2004	477	6
	2005	787	5
	2006	192	4
	<b>KKE</b>		
	1996	933	14
	1997	1,197	13
	1998	509	12
	2000	110	10
	2001	31	9

	2004	122	6
	2005	363	5
	2006	190	4
	<b>BDE</b>		
	2005	294	5
	2006	1,353	4
	2007	829	3
	2008	427	2
	2009	25	1
	<b>Total</b>	<b>13,307</b>	
		<b>Average age of plant</b>	<b>10</b>
		<i>* source : SOU Sukamandang Plantation unit</i>	
1.6.2	Area restocked by replanting after 2005	0	ha
1.6.3	New planting area after November 2005	3,016	ha *
1.6.4	Harvesting cycle	7-10	days **
		<i>* source: SOU Sukamandang Plantation Unit</i>	
		<i>** source : SOP plantation management</i>	
<b>1.7</b>	<b>Approximate Tonnage Certified</b>		
	CPO Rendement	23.6	%
	PK Rendement	4.7	%
	Fresh Fruits Bunch	212,976	tons/year
	CPO	50,286	tons/year
	Palm Kernel	10,112	tons/year
<b>1.8</b>	<b>Other certification held</b>		
1.8.1	ISO 9001:2008/ISO 14001: 2004	NA	
1.8.2	OHSAS 18001:2007	NA	
1.8.3	HACCP	NA	
1.8.4	Others	NA	

<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
	SIME DARBY has committed to make time bound plan for other units under the management in implementing P&C standard or acquiring RSPO certificate. Auditor team has considered the plan in accordance with RSPO Certification System documents- June 2007 for partial certification. Progress and follow-up of this plan will be verified and reported in the annual routine visit.

**Tabel 1. Time Bound Plan for Sime Darby Plantation (as per 25 November 2010)**

<b>SIME DARBY PLANTATION RSPO Certification Status</b>	<b>Number of strategic operating units (SOUs)</b>		<b>Remarks/detail</b>
Certified	16	3	
EB Review	3	-	The RSPO Certification will be received within one month's time.
2009/2010 (Audit)	20	7	All Malaysian SOUs have undergone the RSPO External Audit.
2009/2010 (planned)	0	3	
2010/2011	9	10	10 SOU's in Indonesian under planning
<b>Total SOU's</b>	<b>39</b>	<b>23</b>	

1.9.2 Area of plantation managed but exclude from scope of certification

<b>Name of management Unit</b>	<b>Address</b>	<b>Hectare (Ha)</b>
PT. Indotruba Tengah	Seruyan and Kotawaringin Barat Regency – Central Kalimantan	7,734.60
PT. Tunggal Mitra Plantations	Rokan Hilir Regency – Riau	13,836.00
PT. Sime Indo Agro	Sanggau Regency– West Kalimantan	20,663.00
PT. Aneka Inti Persada	Pekanbaru and Siak Regency– Riau	11,612.00
PT. Bina Sains Cemerlang	Musi Rawas Regency – South Sumatera	7,052.00
PT. Teguh Sempurna	Seruyan and Kotawaringin Timur Regency– Central Kalimantan	16,601.66
PT. Lahan Tani Sakti	Rokan Hilir Regency – Riau	3,759.02
PT. Bhumireksa Nusa Sejati	Indra Giri Hilir Regency – Riau	25,731.00
PT. Ladangrumpun Suburabadi	Tanah Bumbu Regency – South Kalimantan	6,082.00

PT. Sajang Heulang	Tanah Bumbu Regency – South Kalimantan	7,794.00
PT. Bersama Sejahtera Sakti	Kotabaru Regency – South Kalimantan	13,925.00
PT. Bahari Gembira Ria	Muaro Jambi Regency – Jambi	4,000.00
PT. Langgeng Muaramakmur	Kotabaru Regency – South Kalimantan	14,328.00
PT. Paripurna Swakarsa	Kotabaru Regency – South Kalimantan	16,428.00
PT. Swadaya Andika	Kotabaru Regency – South Kalimantan	10,429.00
PT. Laguna Mandiri	Kotabaru Regency – South Kalimantan	15,299.80
PT. Tamaco Graha krida	Morowali Regency – Central Sulawesi	4,712.00
PT. Sandika Natapalma	Ketapang Regency – West Kalimantan	19,731.00
PT. Mitra Austral Sejahtera	Sanggau Regency – West Kalimantan	14,202.00
PT. Padang Palma Permai	Aceh Tamiang and Aceh Timur Regency - Nangroe Aceh Darussalam	2,581.00
PT. Perusahaan Sri Kuala	Aceh Tamiang Regency - Nangroe Aceh Darussalam	1,128.90
PT. Guthrie Pecconina Indonesia	Musi Banyuasin Regency – South Sumatera	13,961.00

1.9.3 Time bound plan for Sime Darby Plantation area in Indonesia

Name of Management Unit	Time Bound Plan
PT. Indotruba Tengah	2009
PT. Tunggal Mitra Plantations	2009
PT. Sime Indo Agro	2009
PT. Aneka Inti Persada	2010
PT. Bina Sains Cemerlang	2010
PT. Kridatama Lancar	2010
PT. Teguh Sempurna	2010
PT. Lahan Tani Sakti	2010
PT. Bhumireksa Nusa Sejati	2010

PT. Ladangrumpun Suburabadi	2010
PT. Sajang Heulang	2010
PT. Bersama Sejahtera Sakti	2010
PT. Bahari Gembira Ria	2010
PT. Langgeng Muaramakmur	2011
PT. Paripurna Swakarsa	2011
PT. Swadaya Andika	2011
PT. Laguna Mandiri	2011
PT. Tamaco Graha Krida	2011
PT. Sandika Natapalma	2011
PT. Mitra Austral Sejahtera	2011
PT. Padang Palma Permai	2011
PT. Perusahaan Sri Kuala	2011
PT. Guthrie Pecconina Indonesia	2011



Figure 1. Map of PT Kridatama Lancar, Seruyan and Kotawaringin Regency, Central Kalimantan.



Figure 2. Operational map of PT. Kridatama Lancar, Seruyan regency

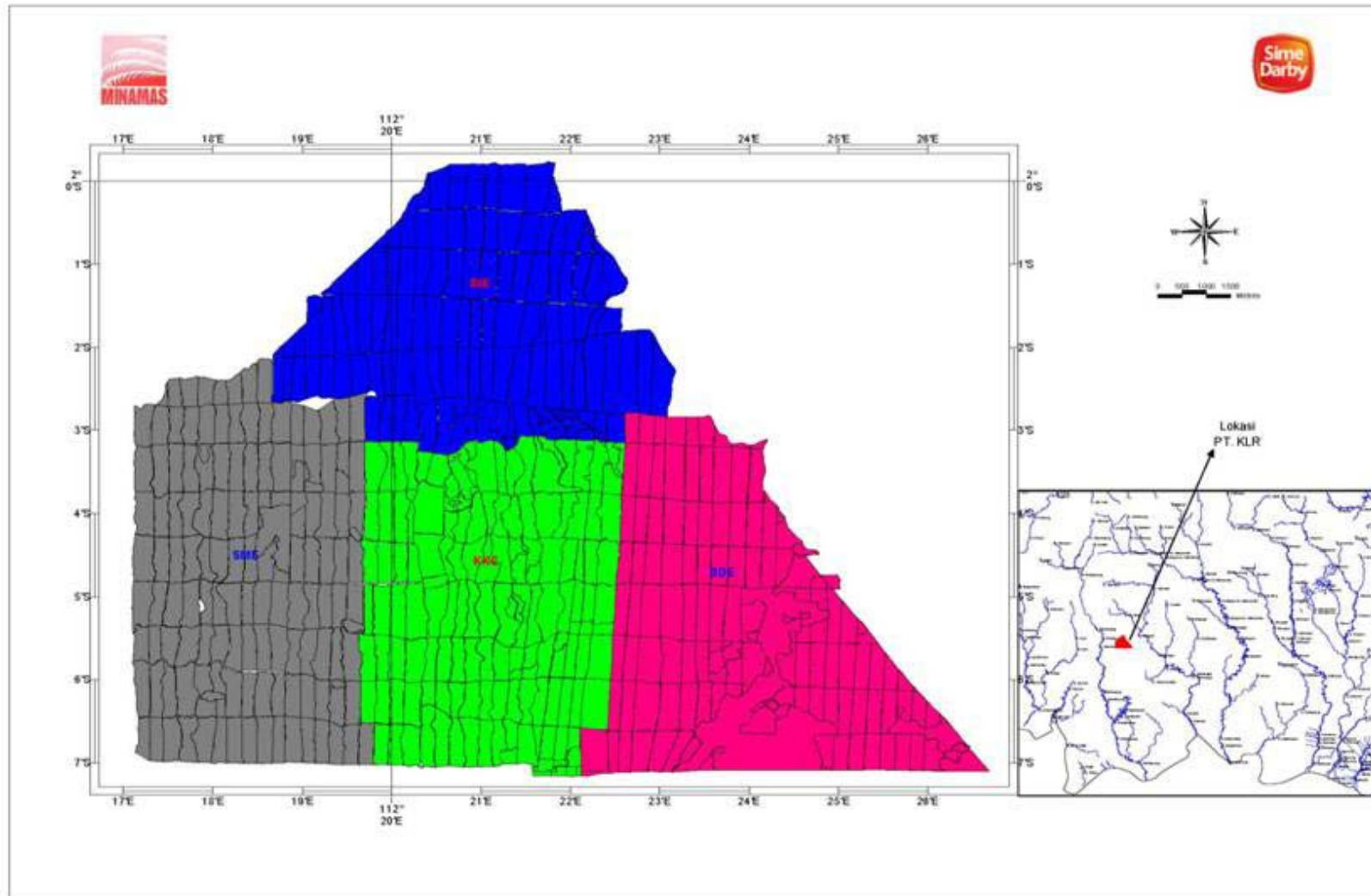
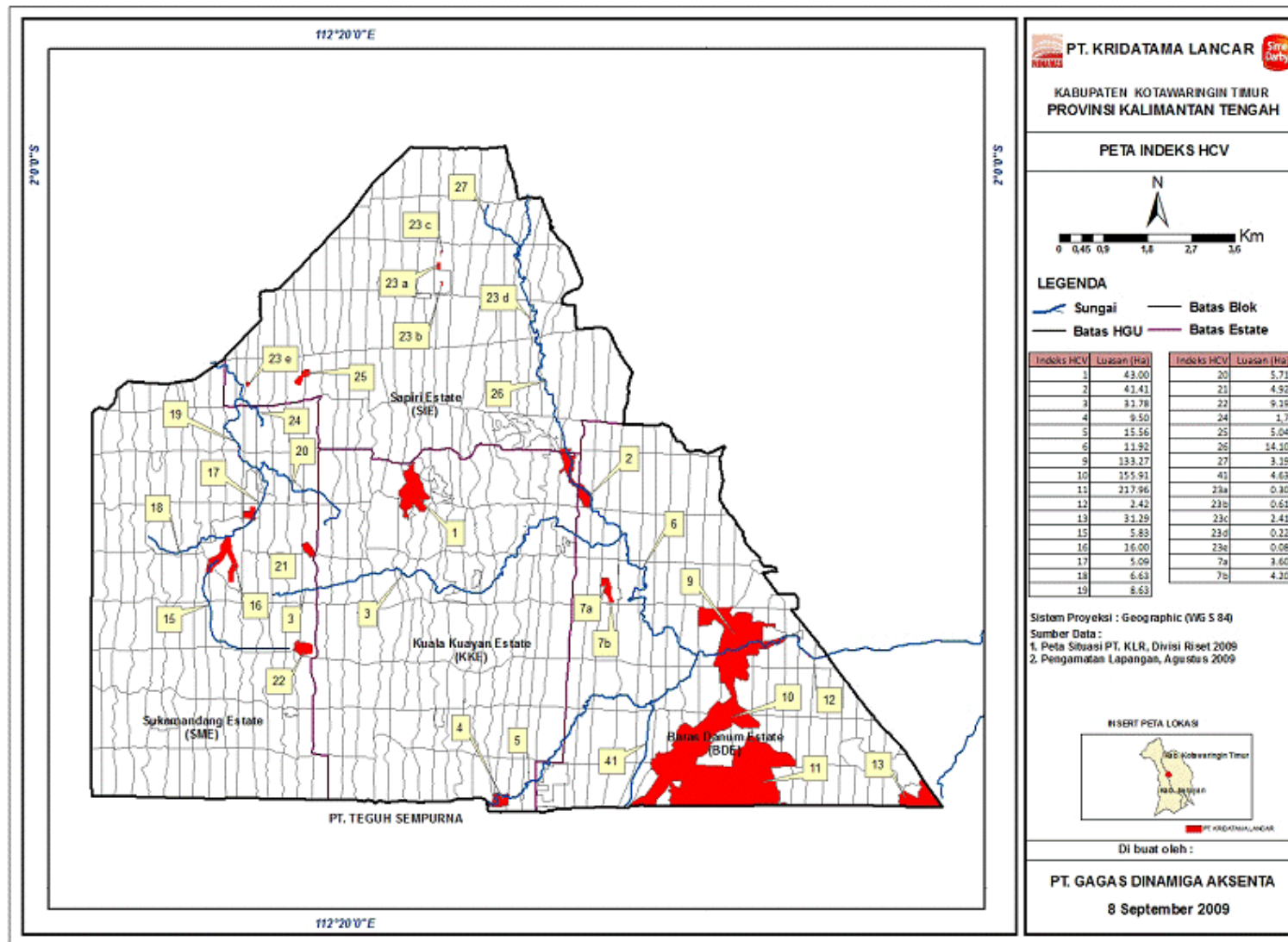


Figure 3. HCV Map of Kridatama Lancar, Seruyan reGENCY.





<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, Indonesia
	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 Auditor and Auditor Team</b>
<b>2.2.1</b>	<b>Assessment Team</b>
	<b>Assessor Team consists of:</b>
	<b>1) Deni A. Novendi (Lead auditor).</b> Deni A. Novendi (Auditor). Bachelor of Science in Forestry, majoring in Natural Resources Conservation. Specialist in Ecology and Social. He has been involved in socio-economic study of Riparian community of Citanduy River-Cisanggarung in Ciamis Regency-West Java; he has 13 years of experience in Forest Planning and Conservation of Forest Concession Rights in Indonesia. Since 2003 he has been working for Independent Certification Body as Auditor of Sustainable Forest Management System (FSC and LEI system); Chain of Custody, ISO 9001; and RSPO. He has conducted several audits for each system. In this main-assessment activity, he conducted assessment of employability, land concession, and environment.
	<b>2) Taufik Margani (Auditor).</b> Bachelor of Science in Forestry, majoring in Forest Management. Specialist in Ecology. He has led several audits for Sustainable Forest Management in Indonesia (under LEI- Indonesian Ecolabel Institute and FSC- Forest Stewardship Council) and is a Lead Auditor for FSC chain of custody. Other experience: He is IRCA Lead auditor IRCA registered for Environment Management System and Quality Management System. Since 1999 he has been working for independent certification body and has conducted Environment Management System audits in Indonesia and Malaysia. Currently he is the General Manager of Management System Certification. In this main-assessment activity he conducted assessment in legal, social, and environment aspects.
	<b>3) Muardi Marwas (Auditor).</b> Bachelor of Science in Agriculture. Majoring in Agronomy and Horticulture. He has participated in several RSPO audits in Indonesia. Currently he works for Independent Certification Body. In this main assessment he conducted assessment of employability aspect.
	<b>4) Ibnu Satria Prabudi (Observer).</b> Bachelor of Science in Agriculture, majoring in Agro technology. Currently he works for Independent Certification Body.
	CVs of Assessor Team members are available at PT Mutuagung Lestari office.
<b>2.3</b>	<b>Assessment Methodology, Progress, and Site Visit</b>
<b>2.3.1</b>	<b>Date of Assessment</b>
	20-25 September 2010
<b>2.3.2</b>	<b>Prediction of working days for conducting assessment</b>
	20 working days

2.3.3	Details of Assessment Implementation
	<p>Assessment was conducted by measuring level of implementation conducted by KLR to comply with Republic of Indonesia National Interpretation requirements of RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO INA-NIWG, May 2008). Assessment was conducted in 3 ways: Firstly, document review, aimed at looking at completion of types and substances of required documents; Secondly, interview, aimed at getting more detail information and doing cross checking; and thirdly, doing site visit, aimed at observe directly the implementation in the field.</p>
	<p>On the first day (20 September 2010), auditor conducted <i>opening meeting</i> in the afternoon at the Club House Sukamandang Estate. On the second day (21 September 2010), auditor conducted public consultation in Sampit with stakeholder of Provincial and Regency level; and in Sukamandang Estate for stakeholder of regency and village level. Then followed by company's documents review concerning its legality, environment management documentation, social management documentation, and plantation practices documentation. Auditors were divided into three teams based on the following assessment:</p>
	<p><b>Team I (Deni - Assessment of environment and production aspects):</b> conducting assessment related to Management Plan, Implementing Procedure, soil and water conservation, and biodiversity management.</p> <p><b>Tim II (Taufik - Assessment of social and environment aspects):</b> conducting assessment of documentation related to legal aspect, area legality, transparency mechanism, social conflict management, and employability, particularly OHS implementation.</p> <p><b>Tim III (Muardi and Ibnu - Assessment of agronomy practices aspects):</b> conducting assessment related to employability, use and treatment of chemical substances, waste and B3 substances treatment, and integrated pest control.</p>
	<p>Some of the findings in main assessment are given by the auditor to KLR management and the report becomes material to be considered by organization to follow-up the findings. All information is written in <i>Check List at PT Mutuagung Lestari</i> and becomes main annex of Assessment Report. The detailed assessment process is as follows:</p>
	<p><b>20 September 2010.</b> Opening meeting simultaneously with PT KLR and PT TSA at Club House Sukamandang Estate, attended by Hariadi (Head of SOU 03 PT KLR), Harun Ibrahim (Manager Total Quality and Environment Management, Banjarmasin), Diar H.B (Manager Environmental, Safety and Health - Region Kalimantan), Hamdan Sitorus (Manager SIE), M. Sabir Kadong (Manager KKE), Lifton (Manager BDE), and several related personals.</p>
	<p><b>21 September 2010.</b> Team conducted public consultation concurrently in 2 (two) separate locations, <b>Location 1</b> was at Hotel Idola Sampit attended by stakeholders from Provincial and regency level. <b>Location II</b> conducted at Junior high school of Sukamandang Estate, attended by stakeholders from Regency and Village level around the company. Then the activities were followed by document review and verifying issues in public consultation, concerning legality aspect, environment management, social management, and plantation practices.</p>
	<p><b>22 September 2010.</b> Auditor still focussed on company's document review and verified issues arouse in public consultation, concerning legality aspect, environment management, social management, and plantation practices. Based on the document review, the team determined locations to be visited on the field and the decision was informed to KLR management</p>

	<b>23 September 2010.</b> Team conducted site visit to locations prepared by auditor team and confirmed to KLR management. In the evening the team conducted internal meeting to complete checklist and discussed the audit findings.
	<b>24 September 2010.</b> Team still continued discussion to review the findings during the audit. In the afternoon the team had closing meeting at Club House Sukamandang Estate. Closing meeting was attended by Hariadi (Head SOU 03 PT KLR), S. Sihombing (PSD KPW), Suhardi (HRM KPW), Agus P (Kasie SME), Hamdan Sitorus (Manager SIE), M. Sabir Kadong (Manager KKE), Lifton (Manager BDE), Zuhairi Zubir (representative of TOEM), and several staff representing their own departments.
	<b>25 September 2010.</b> Team returned to Jakarta
2.3.4	<b>Location of Assessment</b>
	<b>Location 1. Blok I44 Kuala Kuayan Estate (KKE).</b> Observation and interview with Supangat (harvest worker) about wages system, implementation of OSH, socialization of RSPO, and implementation of policy on worker age requirement.
	<b>Location 2. KKE Chemical Substance Warehouse.</b> Observation of chemical substance storage, pesticide package waste treatment, and implementation of OHS.
	<b>Location 3. KKE Diesel Storage.</b> Observation of contamination control activities around diesel storage.
	<b>Location 4. KKE BSS.</b> Observation of contamination control practice activities around BSS housing.
	<b>Location 5. KKE Office.</b> Observation of efforts to handle fire and readiness for emergency situation.
	<b>Location 6. SME Clinic.</b> Observation of medical waste treatment.
	<b>Location 7. SME Main Office.</b> Interview with Head of Gender Commission PT KLR and TSA (Mrs. Yasinta Nata) about socialization of sexual harassment.
	<b>Location 8 - KM 33, Citizen of Ayawan village, Pondok Kopi sub district, Kalali River, SME.</b> Visit and interview with citizen of Ayawan village, Pondok Kopi concerning environment issues such as waste contamination, problems due to Palm Mill activities and PT KLR plantation, contribution of PT KLR to people of Pondok Kopi (KM 33) in the form of dug well and water pump.
	<b>Location 9 - Blok L 19 (SME). Spraying activities.</b> Observation and interview of chemical substance treatment activities for spraying, implementation work health and safety, RSPO training and or socialization, workers, foremen, and spraying team wages.
	<b>Location 10 - Blok I-33 Bukit Kapal SME.</b> Observation and interview with Assistant TQM concerning management for area identified as having soil suitability of N1 (marginal land) and HCV 1.3 - Animal Refugia and HCV 6 - Area with cultural values for community.
	<b>Location 11 - Sukamandang POM.</b> Observation and interview of FFB supply activities, treatment of FFB into palm oil, boiler operation, generator operation, chemical substances warehouse, B3 waste warehouse, CPO dispatch, POME for land application, work health and safety practices.
	<b>Location 12. SME Main Office.</b> Interview with IPM foreman (Hadlani) concerning Integrated Pest control Program and its trainings.
	<b>Location 13 - Blok M59 Baras Danum Estate (BDE).</b> Observation and interview of New Planting 2009 activities for completing planting year 2008, observation of land clearing.

	<b>Location 14 - Blok N71 Sungai Simpang BDE.</b> Observation and interview with Assistant Division II and Assistant TOEM concerning management of area identified as HCV-1.3 - Animal Refugia, HCV-4.2 - Riparian and HCV-5 - Area with community's basic needs function.
	<b>Location 15 - Blok N56 Tajur Beras, BDE.</b> Observation and interview about management of area identified as HCV 4.4 - Area with basic function for farming and fishery.
	<b>Location 16 - Blok F34 Bukit Susu, Sapiri Estate (SIE).</b> Observation and interview with Person-in Charge of HCV concerning management of area identified as HCV 4.2- Erosion and sedimentation control.
2.4	<b>Public Consultation and List of persons contacted</b>
2.4.1	<b>Summary of public consultation process</b>
	There are 49 parties contacted to give their inputs. Public consultation with stakeholders (related parties) was conducted concurrently on 21 September 2010 in 2 (two) separate locations. The first location was at Hotel Idola, Sampit regency; second location was at Sukamandang Estate.
2.4.2	<b>List of parties contacted</b>
	See Annex 2.
2.4.3	<b>Summary of Arising Issues from public and Actions taken by PT Mutuagung Lestari</b>
2.4.3.1	<b>Positive Issues</b>
	Several positive issues taken from stakeholder in relation to PT KLR's performance are among others: (1) good communication pattern between company and local government (regency and village level); (2) company recognizes local community's traditional rights; (3) assisting local government for providing jobs for community around the company; (4) company implements good production practices.
2.4.3.2	<b>Negative Issues</b>
	PT KLR has several negative issues as follow: (1) Its CSR program has not fully identified local people's priority needs; (2) Company has not submitted its reports consistently to related institutions; (3) There are cases of land acquisition (inside HGU) by third parties with unclear status; (4) Company has not revised its ANDAL document; (5) Company has HCVs which have not been identified clearly and their management have not complied with standard; (6) communication pattern and coordination with surrounding community is not good enough.
2.5	<b>Determining Next Visit</b>
	Next surveillance shall be determined after this report is approved by RSPO secretariat and or one year after the certificate issued.

### 3.0 DETAILS OF NON CONFORMANCE, CORRECTIVE ACTIONS AND OBSERVATION

CAR No	Ref Std/ Indicator	Non Conformance	Grade	Corrective Actions	Time limit	Observation and date	Status	Closing date
2010.01	NI-INANIWG Major 1.1.3 Major 1.2.2	<b>Record period of time</b> of the record - There is evidence that record of request and response for information from stakeholder has been determined as stated in List of RSPO documents of PT KLR. Nevertheless, there is still miscoding in its finalization. For instance, the record of request for information from Regional Executive Conference and Regency- Level Executive Conference has been set "During validity period," while those letters (which are kept in folders) are incidental.	CFA	Organisation must review its record period of time policy for information request and responses to information request from stakeholders based on its urgency.	Before main assessment activities	Record of request and response for information for estate and POM must be kept for 3 years in RSPO room with files order number available in RSPO document list of PT KLR.	<b>Closed</b>	<b>23/9/10</b>
2010.02	NI-INANIWG Major 1.2.1	<b>List of Document</b> - KLR has complete documents including legality/permit, environment (ANDAL/RKL/RPL), OHS program, etc as detailed in document list although the list needs to have monitoring by specifying date of issuance and revision as well as designated period of time.	CFA	Organisation must specify date of issuance and revision and mentioned for a period of time in document list.	Before main assessment activities	RSPO document list of PT KLR has been specified for legal, SOP, reference (such as GM memo, research recommendation), polyclinic document, report document, etc category. The document has specific validity period of time and monitored.	<b>Closed</b>	<b>23/9/10</b>
2010.03	NI-INANIWG 2.1	<b>Implementation of applicable laws and regulations</b> - KLR has a list of applicable laws and regulations as its references. However, it has not fully updated	NC	Company must update list of applicable laws and regulations and evaluate articles	Before main assessment activities	Organisation has updated regulations and requirement based on their implementations; and can demonstrate the	<b>closed</b>	<b>23/9/10</b>



and evaluated their implementation. The laws and regulations are for instance: Act No. 18 of 2004 art 25 (concerning Palm Oil Plantation), Government Regulation No 74 of 2001 concerning Management of B3, Ministry of Environment Decree No 51/10/1995 (23/11/1995) concerning Measurement of Liquid Waste, Ministry of Environment Decree No 13/Men LH/3/1995 concerning Measurement of Non-Movable Emission, Ministry of Manpower Regulation No. 5/Men/1996 concerning Work Safety and Health Management System, Ministry of Environment Decree No. 45/2005 concerning Guideline for RKL and RPL Reporting, Ministry of Environment Regulation No.2/2008 concerning Utilization of B3 Waste, Ministry of Environment Regulation No. 3/2008 concerning B3 Waste Symbol, Ministry of Environment Regulation No.3/2009 concerning Certification of Competence Standard for Liquid Waste Management Manager, etc.

which need to be implemented.

implementation of aforesaid laws and regulations and/or their in-progress implementation.

2010.05	NI-INANIWG Major 2.2.2	<b>Legal Boundaries</b> - KLR starts to monitor and maintain BPN boundary poles (monitoring and maintaining of BPN boundary poles form), such as block H19 poles BM 07 in Estate Sukamandang which has been signed by assistant and manager. However, KLR needs to make planning to monitor and maintain the boundary poles surrounding KLR area as well as progress which have been made.	CFA	Organisation is recommended to make planning to monitor and maintain the boundary pole surrounding KLR as well as progress which have been made.	Before main assessment activities	The availability of planning and maintaining of BPN boundary pole for all estate including Sukamandang, Baras Danum, Kuala Kuayan, and Sapiri. For instance: last monitoring in September 2010 for Sukamandang Estate.	<b>Closed</b>	<b>23/9/10</b>
2010.06	NI-INANIWG Major 2.3.1	<b>Ownership of traditional rights</b> - KLR has acquired legal proof of owning the land in the form of HGU No. 58/HGU/BPN/99 certificate issued by authorized institution (National Land Board). However, to be more convincing for the stakeholders that there is no ownership of traditional rights, a written statement from authorized party/institution is still needed.	CFA	It is highly recommended that the company coordinates with authorized party/institution to attain additional references concerning ownership of traditional rights.	Before main assessment activities	There is a progress concerning information from local officers and community leaders that HGU of Kridatama Lancar including Teguh Sampurna is formerly areas for HPH whose function have been conversed to palm plantation. In the HGU areas there is no traditional forest owned by community although there are land uses by individual from community inside and outside the estate.	<b>Closed</b>	<b>23/9/10</b>

						The letter of statement was issued on 3 May 2010 by Head of neighbourhood association Tabion, Pemantang village, Mentaya hulu district, Kotawaringin timur and local leaders; also by Head of neighbourhood association Tajur Beras, Kawan batu village, Mentaya Hulu district and local leaders with acknowledgement from Head of Kawan Batu village.		
2010.07	NI-INANIWG Minor 4.3.2;	<b>Monitoring of soil erosion</b> - Organisation has surveyed the land and documented the result. However, it has not covered measurement of erosion rate and it has not performed land analysis periodically, either.	NC	Organisation must conduct measurement and evaluate erosion rate, and land fertility, make documentation, and perform land analysis periodically.	Before main assessment activities	Company has already owned land erosion monitoring facility at Blok J-26 Sukamandang Estate which represents area with 15-30% declivity.	<b>Closed</b>	<b>23/9/10</b>
2010.08	NI-INANIWG Minor 4.3.1	<b>Maps of Fragile Soils</b> – Organisation has not provided a map of fragile soils with adequate scale.	Minor	Organisation must provide a map of fragile soil with adequate scale.	Before main assessment activities	Location of fragile soil in KLR area has been identified in section HCV6 and has been mapped properly.	<b>Closed</b>	<b>23/9/10</b>

2010.09	NI-INANIWG Minor 4.3.5	<b>Management strategy of fragile and other problem soils</b> - Organisation has strategy of fragile soil and other critical land management by applying empty fruit bunch and <i>Nephrolepis</i> planting. However, there has not been any effectiveness evaluation for empty fruit bunch application and not all <i>Nephrolepis</i> planting has been documented.	CFA	Organisation is recommended to evaluate the application of empty fruit bunch for increasing the land fertility and document the planting of <i>Nephrolepis</i> in the entire estate.	Before main assessment activities	Organisation has shown data of land analysis which demonstrates consistency of land fertility year by year. It is believed that this is due to fertilizer effect. Organisation has shown Plantation Unit Report which record the realization of all company activities, including the planting of <i>Nephrolepis</i> .	<b>Closed</b>	<b>23/9/10</b>
2010.10	NI-INANIWG Major 4.4.1	<b>Buffer zone</b> - Organisation has made efforts for land and water conservation activities such as determining buffer zone. However, there has not been any management plan was prepared. The width of buffer zone also needs to be reviewed by communicating with related institutions.	NC	Organisation must have buffer zone management plan which is documented, implemented, and monitored consistently. For instance: management plan for Manggis river lines, protection plan for water way area and dam as well as communicating with related institutions in determining buffer zone area.	Before main assessment	Organisation has already provided HCV Management Program including buffer zone management programmed for enrichment planting.	<b>Closed</b>	<b>23/9/10</b>

2010.11	NI-INANIWG Major 4.6.4	<b>Procedure of agrochemical waste</b> - procedure for agrochemical waste which includes SOP of B3 and Non-B3 Waste Management Point 5.2.3 Chemical Package Management is available. However, it has not covered procedure for its sterilization in accordance with label guideline or MSDS.	CFA	Organisation is recommended to complete the procedure with procedure for sterilizing agrochemical waste in accordance with label guideline or MSDS.	Before main assessment activities	Organisation has already had agrochemical package waste in accordance with label guideline and applicable regulation.	<b>Closed</b>	<b>23/9/10</b>
2010.12	NI-INANIWG Minor 4.5.2	<b>Monitoring pesticides toxicity</b> - Organisation has not been able to show IPM pesticide toxicity monitoring record.	NC	Organisation must be able to show monitoring record of IPM pesticides toxicity.	Before main assessment activities	KLR has provided Realization of Pesticides Use Data which is prepared monthly.	<b>Closed</b>	<b>23/9/10</b>
2010.13	NI-INANIWG Major4.6.2; Major4.6.4; Major 5.3.1	<b>Record of Pesticides Usage</b> - Organisation has already had procedure for chemical substance waste management and pesticide use record. However, the procedure has not covered procedure for sterilization of pesticides packaging as stated in product label, and the pesticides use record has not mentioned the applied areas, quantity of use per hectare, and quantity of its rotation.	CFA	It is necessary to consider explaining procedure for sterilizing agrochemical waste in accordance with instruction in product label and complete pesticides use record with the following: applied area, quantity of use per hectare, and quantity of its rotation.	Before main assessment activities	Organisation has revised procedure which includes procedure for sterilization of pesticides packaging, but has not been fully implemented. For instance: In Warehouse KKE B3 packages which have not been punched a hole in before storage can still be found.	<b>Closed</b> <b>See</b> CAR 2010.38	<b>23/9/10</b>

2010.14	NI-INANIWG 4.7	<b>OHS Program</b> - OHS Plan has not been fully implemented. For instance: implementation of OHS Training, risk analysis in estate, availability of OHS and P3K in estate, and evaluation of work accident.	NC	Organisation must make documentation, disseminate and effectively implement OHS plan. For instance: perform OHS training, do risk analysis in every types of work, and do evaluation of work accident.	Before main assessment activities	Available are documents and evaluation related with OHS implementation which includes HIRARC (Hazard Identification, Risk Assessment and Risk Control) as the outcome of work accident risk identification in all mills and plantations, monitoring of work accident in plantations/POM, evaluation of work accident and corrective actions implemented to avoid similar accidents.	<b>Closed</b>	<b>23/9/10</b>
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2010.15	NI-INANIWG Minor 4.7.5	<p><b>Preparation of Emergency Situation</b> - Procedure for fire handling No.RSPO/B.5.2/KLR is available. However, it has not covered the following:</p> <ol style="list-style-type: none"> <li>1. Procedure for handling fire and earthquake for building premises around the estate like office, garage, warehouse, and housing complex.</li> <li>2. Evacuation direction signs in case of fire and earthquake in the offices and houses.</li> </ol>	NC	<p>Organisation must review procedure No: RSPO/B.5.2/KLR by completing the following:</p> <ol style="list-style-type: none"> <li>1. procedure for handling fire and earthquake for building premises around the estate like office, garage, warehouse, and housing complex.</li> <li>2. Evacuation direction signs in case of fire and earthquake in the offices and houses.</li> <li>3. Simulation of emergency situation in certain period of time.</li> </ol>	Before main assessment activities	<p>SOP has been reviewed and completed with SOP for Handling Fire (RSPO/B.5.2/KLR), Recovery of Emergency Situation (RSPO/B5.18/KLR), Evacuation (SOP/B.5.15/KLR), Earthquake (SOP/B.5.16/KLR), Identification and Evaluation of Emergency Potential (SOP/B.5.17/KLR), Emergency Drills (SOP/B.5.95/KLR), Explosion Handling (SOP/B.5.20/KLR); all aforesaid procedures are signed by each estate and Mill manager to be implemented.</p> <p>Simulation Notice shows that KLR has performed emergency simulation for fire in factory premises in year 2010, like on 7 April 2010 with 33 personals from the factory (16 personals) and estate (17 personals); and from 28-29 July 2010 joint simulation for KLR and TSA with 59 personals and inviting instructors from Fire fighters Department Kotawaringin Timur.</p>	<b>Closed</b>	<b>23/9/10</b>
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2010.16	NI-INANIWG Minor 4.7.6	<b>Evidence of providing equipment for OHS and P3K.</b> There is record of fire extinguishers for all estates. However, no inventory of P3K equipment and no regular inspection schedule for availability and condition of the equipment.	NC	The company's must provide inventory and regularly reviewed of P3K for its availability and condition.	Before main assessment activity	There are monitoring PPE for all estates and POM, for every part of the work, such as: helmet, glasses, ear plug, gloves, safety shoes, and uniform. Those PPE are distributed to estates and POM.	<b>Closed</b>	<b>23/9/10</b>
2010.17	NI-INANIWG Minor 4.7.7	<b>Evidence of P3K compliance -</b> Organisation has not been able to present evidence that the workers who have been trained with P3K must be in operational activities on field and mill.	NC	Organisation must present evidence that workers who have been trained with P3K must be in operational activities on field and mill.	Before main assessment activity	There is training schedule for P2K3, OHS RSPO socialization for year 2010 for estates and mill scope. It is planned for may and October 2010. The agenda for training includes training of PPE use, P3K training and RSPO socialization.  All workers in plantation and mill have been trained and are planned to have training. Record of training plan and documentation of last P3K implementation were conducted on 7 May 2010 (see minor indicator 4.7.4 above).	<b>Closed</b>	<b>23/9/10</b>



2010.18	NI-INANIWG Major 4.8.1	<b>Continuous training for staff and employees</b> - Organisation has not been able to demonstrate Continuous training for staff and employees program.	NC	Organisation must show Continuous training for staff and employees program.	Before main assessment activities	Available are P2K3, OHS training schedule and RSPO socialization for year 2010 to be scheduled in May and October 2010. According to Head of SOU all personals from high, middle, and low level (superintendents and workers) must take part in RSPO, P2K3 and OHS knowledge management.	<b>Closed</b>	<b>23/9/10</b>
2010.19	NI-INANIWG Major 4.8.3	<b>Evidence of using trained contractors</b> - There has not been inadequate evidence that company uses trained contractors.	NC	Organisation must provide evidence that it uses trained contractors in accordance with their work competence such as criteria for choosing contractor document.	Before main assessment activities	KLR uses contractors for road and bridges. For each contractor there is a work order (SPK) that specifies in its article an obligation for contractors to provide and implement PPE, keep nature sustainability, and provide insurance. For instance: SPK No. SME/SPK-LKL/IV/2010/031/JMBTN for bridge contractors and SPK No. SPK/SME/LKL/IV/2010/030-SWAB.	<b>Closed</b>	<b>23/9/10</b>

2010.21	NI-INANIWG Major 5.2.1	<b>Identification of protected species and HCV</b> - Organisation can demonstrate some evidence of species identification and HCV area existence within KLR working areas by showing 96 types of bird species from 32 Family, and 4 HCV types (they are HCV 1; HCV 4; HCV 5; and HCV 6). However, there is inadequate evidence that the identified species have been categorized in accordance with their level of rareness; and there is inadequate evidence of public consultation in determining HCV.	NC	Documentation of identification result and plan for species management with protected, uncommon, rare or endangered category as well as designated HCV location though public consultation must be available on site.	Before main assessment activity	There is evidence that public hearing with stakeholder has been conducted although it has not involved all parties.	<b>Closed</b> See CAR 2010.42	<b>23/9/10</b>
2010.22	NI-INANIWG Minor 5.2.2	<b>Special officer to monitor and protect species</b> - Organisation has appointed Hadlani Susilo as a special officer to supervise activities to monitor and protect species although there is no evidence of his training in relation to his works.	NC	Organisation must provide suitable training program for officer who will supervise activities to monitor and protect species.	Before main assessment activities	Organisation has appointed an officer for each estate to supervise activities to monitor and protect species, and has been trained in HCV management from Centre of conservation and natural resource – Pangkalan bun Training record which includes Attendance List and Training materials have been demonstrated to auditor on site.	<b>Closed</b>	<b>23/9/10</b>

2010.23	NI-INANIWG Major 5.3.1; Major 5.3.2.	<b>Identification of source of waste and contamination</b> - There are evidence of results of measurement and monitoring of surrounding parameter from several points considered to be source of waste or contamination, among others are liquid waste pool, boiler, generator room, and river. However, documentation of identification results of source of waste and contamination either in the plantation or mill are not available for presentation.	NC		Before main assessment activities	KLR has monitored B3 waste produced by plantation. For instance: lubricant oil from estate to mill, POME liquid waste, sprayed waste effect, and pollution caused by fertilizer in Kalali river (SIE, SME, and Mill plantation) and Manggis river (from activities in BDE, KKE), boiler with air pollution measurement, contaminated water brings effect to community's wells.	<b>Closed</b>	<b>23/9/10</b>
2010.24	NI-INANIWG 5.4	<b>Renewable Energy</b> - Evaluation of energy use has not been fully implemented to determine its efficiency (renewable energy and fossil). For instance: oil (litter unit per ton FFB or CPO), power supply (Kwh unit per ton FFB or CPO).	NC	Organisation needs to review its decision in efficiency level of renewable energy and fossil use so far in order to produce energy needed to produce CPO per ton.	Before main assessment activities	KLR can show record and calculation of energy and renewable energy use such as Total fibre and kernel compared to total CPO, Diesel consumption (Lt) per CPO, Water usage per ton FFB.	<b>Closed see CAR 2010.45</b>	<b>23/9/10</b>

2010.26	NI-INANIWG Major 6.1.1	<b>Documentation of social impact of palm oil plantation and factory</b> - KLR has ANDAL document year 1996 which includes evaluation of social effects for community. However, evidence of legalization has not been presented.	CFA	Evidence of ANDAL Documentation legalization is recommended to be integrated of the document.	Before main assessment activities	ANDAL document year 1996 has been legalized and approved by Agriculture Minister-Head of Agribusiness Board No.35/ANDAL/RKL-RPL/BA/X/1998 date 9 October 1998.; RKL and RPL are now in the process of revision. Document of Environment Evaluation (DELH) (date 3 September 2010) will be prepared together with letter from Ministry of Environment. Internal progress can be demonstrated by KLR by showing RKL/RPL revision prepared by PSD Department. They are request for ANDAL and RKL/RPL documents verification to Environment Board (BLH) Central Kalimantan (letter in June 2010), KLR then plans to complete ANDAL document.	<b>Closed</b>	<b>23/9/10</b>
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2010.27	NI-INANIWG Minor 6.1.1	<b>Record of Monitoring and Management of Social impact Plan and Realization</b> - KLR has environment and social management plan formulated in its RKL/RPL document which is already approved by Agriculture Minister RI No. 35/ANDAL/RKL-RPL/BAK/X/1998 date 9 October 1998, covering reserved area of 17.500 ha and Palm Oil Mill with a capacity of 40 ton FFB/hour. However, there is inadequate evidence that the document is prepared with community participation; and result of social effects evaluation has not been completed with measurable data.	NC	Company must review and consider preparation of monitoring and management of environment and social plan participative by involving those who experience the effects and present measurable indicators.	Before main assessment activities	There is evidence that list of questions involving community is used in the process of preparing RKL/RPL document (Data July 2010). List of statement includes profession, water consumption, income, socio-cultural, water source, and air pollution.	<b>Closed</b>	<b>23/9/10</b>
2010.28	NI-INANIWG Minor 6.1.3	<b>Report of implementing monitoring and management of environment periodically</b> - There is inadequate evidence that company has submitted the report of monitoring and management of environmental plan consistently to related institution. For instance: Report period II 2009 (July-December 2009) has not been submitted to related institutions until March 2010.	CFA	It is consider submitting report of implementing monitoring management of environment and social periodically to all related institutions periodically in accordance with applicable regulations.	Before main assessment activities	KLR can show report document for RKL/RPL semester I year 2009 (reported on 10 March 2010) for Kotawaringin timur and Seruyan district and semester II year 2009 (reported in April 2010 for Kotawaringin timur regency and August 2010 for Seruyan regency). RKL and RPL year 2010 report is still in progress and revision to be reported to related institutions.	<b>closed</b>	<b>23/9/10</b>

2010.30	NI-INANIWG Minor 6.5.2	<b>Work Agreement with contractors</b> - There are a number of works in KLR palm oil plantation given to contractors such as construction of silpit, road, bridge, and harvesting road. However, there is inadequate evidence that Work Agreement with contractors demand compliance with applicable man power regulations like: salary and wages, PPE, etc For instance: Work Agreement No.SME/SPK-LKL/III/2009/016 date 01 March 2009 for Bridge Construction project at Base Camp Sukamandang Estate, Division I (Blok N 29/30) by CV Raja Putra Utama.	CFA	Organisation must ensure that each Working Agreement with contractor has required the contractor to comply with applicable employability regulation and perform compliance evaluation.	Before main assessment activities	There has been a revision for: Working Agreement No. SPK/SME-LKL/IV/2010/030-SWEB Monday 20 April 2010 for renting of heavy equipment, Working Agreement No. SME/SPK-LKL/IV/2010/031/JMBTN 26 May 2010 for the construction of concrete bridge sized 4 meter by showing requirements to agree on implementing applicable regulation concerning employability.	<b>Closed</b>	<b>23/9/10</b>
2010.31	NI-INAIWG Major 6.8.1	<b>Discrimination</b> - There is evidence that organisation policy has not fully considered eradicating discrimination based on nationality. This is stated in Joint Work Agreement year 2007-2009 Article 16 clauses 1.2.1 that recruitment of a new worker must be for "Indonesian citizen".	CFA	Organisation is recommended to review its policy on requirement of new workers to eradicate all forms of discrimination.	Before main assessment activity	Company has policy that gives equal treatment without any discrimination as stated in guideline for sustainable plantation management No. Policy 724/TQEM-SPMS/09.	<b>Closed</b>	<b>23/9/10</b>

2010.32	NI.INAIWG 6.11	<b>Participation for local development</b> - There is a record of community development program which record all forms of aids given to surrounding community, among others are rehabilitation of village road, presentation of sacrificial animals, access to education facilities (from kindergarten to senior high school) and free health services. However, recent recapitulation of aid types, time of delivery, and the recipients has not been prepared.	CFA	Company must record all types of aids for local development and they must always be updated.	Before main assessment activity	There are records of CSR ( <i>Corporate Social Responsibility</i> ) realization for the past 3 (three) years (2008-2010) and all company's aids for village communities around the plantation, such as various types of aids for Sukamandang Village and Ayawan Village; the documents are always updated monthly.	<b>Closed</b>	<b>23/9/10</b>
2010.33	NI.INAIWG Major 7.3.2	It has been identified that opening areas or new planting since Nov 2007 (or year 2008-2009) is 452 ha; however, there is no evidence of HCV identification in BDE area.	NC	Organisation must provide evidence of HCV identification to be considered for new planting area starting from November 2007.	Before main assessment activity	Organisation has presented document of HCV identification in KLR operational area. The document includes HCV area identification result on new plants year 2005-2009 in BDE.	<b>Closed</b>	<b>23/9/10</b>

**Open CAR - Main Assessment**

2010.04	NI-INANIWG Major 2.2.3;	<b>Conflict resolution process</b> - KLR has presented evidence of progress in settling land claims by community. For instance: claim for traditional land by Adnan Sosok, and Sipat Ubak (by Palung Anjut) in SIE, Amat in BDE, Paer Randu in BDE. However, the settlement has not fully done through conflict resolution process acceptable for all parties.	Minor	Company must present evidence of progress for conflict settlement acceptable for all parties still involve in the conflict.	S1			
2010.20	NI-INANIWG Major 5.1.1; Minor 5.1.1; Major 6.1.1	<b>RKL-RPL document-</b> Revision of ANDAL document based on POM capacity change from 40 tons/hour to 60 tons/hour has not been available.	Minor	Organisation must revise the RKL-RPL document which complies with approved plan (June 2011).	S1			
2010.25	NI-INANIWG Minor 5.6.1	<b>Evaluation of environment parameter</b> - Measurement of environment parameter according to approved period has been conducted by KLR, in the forms of air emission, liquid waste and quality of river water/ground water. However, suitability with approved quality standard has not fully evaluated. For instance: quality of well water, river water.	Minor	Organisation must evaluate the entire environment parameter in accordance with approved quality standard.	S1			



2010.29	NI-INANIWG Minor 2.2.2 Major 6.3.1 Minor 6.3.2. Major 6.4.1	Mechanism for handling complaints and dispute settlement is described in SOP for Mechanism of handling complaint (RSPO/B.4.9/KLR); however, the SOP has not covered mechanism for conflict resolution acceptable and open for all parties.	Minor	Organisation must review SOP for mechanism of handling complaint.	S1			
<b>New CAR-Main Assessment</b>								
2010.34	NI-INANIWG Major 1.1.2	It is recommended that KLR complete their report as a form of response to request for information from related institutions in Seruyan regency. for instance: Employability Report, Investment Realization Report, etc.	CFA		S1			
2010.35	NI-INANIWG Minor 4.1.1	It is recommended to do Internal Audit activities which not only emphasize on financial aspects, but also on operational/technical activities either in plantation or in palm mill oil.	CFA		S1	Organisation has presented part of evidence of technical supervision related with production activities.	Open	23/9/2010
2010.36	NI-INANIWG Minor 4.4.1	Riparian management program has not fully considered evaluation result of measurement of river environment parameter.	Minor	Organisation must consider evaluation of water quality monitoring to its implementation in water stream management.	S1			

2010.37	NI-INANIWG Minor 4.5.1	Socialization (training) of Integrated Pest Control has been done; however, not all evidence of implementation is documented. For instance: participants 'attendance list, effectiveness after the training, and follow-up of training results.	CFA		S1			
2010.38	NI-INANIWG Major 4.6.4	Organisation has revised procedure which includes procedure for sterilizing pesticides package; however, it is not fully implemented yet. For instance: in KKE warehouse B3 package which is not punched with a hole before storage can still be found.	CFA		S1			
2010.39	NI-INANIWG Major 4.8.1	There is no training program prepared for staff and workers of palm oil mill in accordance with their respective positions and competences.	Minor	Organisation must be able to present document of training program for POM staff and workers in accordance with their skills.	S1			
2010.40	NI-INANIWG Major 4.8.2	It is recommended to complete and update record of personal training for all workers, both in mill and POM.	CFA		S1			
2010.41	NI-INANIWG Major 4.8.3	It is recommended to complete supporting evidence stating that company has used trained CPO transporter contractor.	CFA		S1			

2010.42	NI-INANIWG Major 5.2.1	Organisation has already had identification result of protected, rare, or endangered species and habitat with High Conservation Value (HCV) as approved through public consultation. However, there is inadequate evidence that the public consultation has involved other stakeholders like institutions, NGOs, and universities/research institutions as required by Guideline of HCV Identification in Indonesia.	Minor	Organisation must be able to present evidence stating that consultation to determine HCV has been done by involving related institutions, NGOs, and universities/research institutions.	S1			
2010.43	NI-INANIWG Major 5.2.2; Major 5.2.3	It is recommended to conduct HCV management/protection in accordance with each management purpose, and guarantee the success of area HCV 4.2 Bukit Susu Rehabilitation.	CFA		S1			
2010.44	NI-INANIWG Major 5.3.2	Implementation of waste treatment to avoid and reduce pollution has not been based on evaluation result of environment parameter measurement and monitoring activities. For instance: river water test, boiler funnel test, etc.	Minor	Waste management plan must consider evaluation result of environment measurement and monitoring activities.	S1			
2010.45	NI-INANIWG 5.4	It is recommended to evaluate the use of renewable energy by identifying root of problem and its follow-up (prevention). For instance: total use of fibre/kernel, consumption of diesel oil, water, electricity, and	CFA		S1			







		steam.						
2010.46	NI-INANIWG Major 6.2.1	It is recommended to review procedure of information request (RSPO/B.4.7/KLR) by considering open and transparent method for communication and consultation among parties.	CFA		S1			
2010.47	NI-INANIWG 6.11	It is recommended to prepare Corporate Social Responsibility (CSR) plan in relation to company's contribution for local development based on basic need identification so that a clear budget and aids can be produced.	CFA		S1			

### 3.2. Issues arising from public, company response, and auditor findings

Location	Issues from Public	Positive/Negative	Commentary	Response from Mutuagung
<b>Public Consultation at Hotel Idola – Sampit</b>	CSR Implementation	Negative	CSR implementation by company is only in the form of donation to local senior officers. The program has not been planned participative by considering priority for people's needs.	To be considered for verification on criteria 6.11
	Regular report	Negative	Company has not submitted report consistently to related institutions either at provincial or regency level (Seruyan dan Kotawaringin Timur), in relation to Investment Report ( Form L2), implementation of environment management (RKL/RPL), employability (hiring OHS officers, joined work agreement, Biparted organization, Jamsostek clients, PPE uses, etc), and production and progress of plantation development report.	To be considered for verification on Criteria 1.2.1d; 2.1; 5.1; and 6.1
	Land Acquisition	Negative	There are cases of land acquisition (inside HGU area) by third parties with unclear status. For instance: local people settlement, claim by Syamsul Hadi/Bambang Suryadi group.	To be considered for verification on criteria 2.2
	Allocation of Plantation area	Negative	Allocation of plantation area has not complied with applicable regulations. For instance: management of water sources conservation (river, dam, lake, etc).	To be considered for verification on criteria 5.2
	ANDAL documents	Negative	Company has not submitted revised document of ANDAL or Environment Evaluation Document (DELH) in relation to the change in POM production capacity from 40 tons/hour to 60 tons/hour.	To be considered for verification on criteria 5.1

	Communication	Negative	Company does not have representative office that can represent its organisation activities. This causes difficulties for many parties in channelling their complaints or requesting information.	To be considered for verification on criteria 1.1
	Contribution of duties	Negative	Company has not been able to produce receipt of tax payment (such as PBB) clearly in accordance with government administrative areas.	To be considered for verification on criteria 2.1 and 6.11
<b>Public Consultation at Sukamandang Estate</b>				
Head of Seruyan Tengah sub-regency	Social and communication, company contribution	Positive	<ul style="list-style-type: none"> <li>• Traditional right of land is recognized and respected by company.</li> <li>• Put a priority on compromise and quick to response to community aspiration. For instance: installing well in 2007 when the river was contaminated by Sukamandang mill waste.</li> <li>• Organisation pays attention to local community by giving job opportunities in accordance with their skills.</li> <li>• Relationship with community and local government is good.</li> </ul>	Clarified on indicator major 2.2.3, minor 2.2.2, criteria 2.3, indicator minor 6.2.2 and criteria 6.11
	Production practice	Positive	Comply with production practice in the plantation and palm mill oil.	Clarified on Principe 4 concerning best practise plantations.
Police of Seruyan Tengah	Biodiversity	Negative	Decline of biodiversity	Clarified on criteria 5.2

Mentaya Hulu District	Organisation contribution	Positive	<ul style="list-style-type: none"> <li>• Assist local government (PEMDA) in providing job opportunities</li> <li>• Organisation is often involved in discussion and communication with community and institutions.</li> </ul>	Clarified on criteria 6.8
	HCV	Negative	<ul style="list-style-type: none"> <li>• Existence of HCV / Protected forest.</li> </ul>	Clarified on criteria 5.2
Head of Sukamandang village	Communication	Negative	<ul style="list-style-type: none"> <li>• Difficult to meet the director of company.</li> <li>• Difficulties in getting response from UM</li> </ul>	Clarified on major 1.1.1, 1.1.2 major 6.2.1, minor 6.2.2, and minor 6.2.3.
Head of Kawan Batu village	People's aspiration	Negative	<ul style="list-style-type: none"> <li>• Less responsive in relation to proposal (for instance: request for assistance).</li> </ul>	Clarified and considered on minor 6.2.2

4.0	<b>CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY INTERNAL</b>		
4.1	<b>Formal sign-off of assessment findings</b>		
	<p>Hereunder signed by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report including non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>PT KRIDATAMA LANCAR Head of TQEM</p>  <p><u>Mohamad Pirabaharan</u></p> </td> <td style="width: 50%; vertical-align: top;"> <p>PT MUTUAGUNG LESTARI Lead Auditor</p>  <p><u>Deni A. Novendi</u></p> </td> </tr> </table>	<p>PT KRIDATAMA LANCAR Head of TQEM</p>  <p><u>Mohamad Pirabaharan</u></p>	<p>PT MUTUAGUNG LESTARI Lead Auditor</p>  <p><u>Deni A. Novendi</u></p>
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Annex 1. Checklist of <i>Main Assessment for RSPO Certification in PT Kridatama Lancar</i>		
RSPO Ref.	MUTU VERIFICATION RESULT Certification	STATUS
<b>PRINCIPLE #1 COMMITMENT FOR 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 and forms to allow for effective participation in decision making</b>	
<b>Major</b>		
<b>1.1.1</b>	<b>Records of information requests</b>	
PA	Included in RSPO SOP of Mechanism for Handling Complaint about PT KLR Management (RSPO/B.4.9/KLR) dated 4 March 2009. Records of information requests are gathered from various parties and classified into information requests from Institutions and Community including internal request and non-Institutions requests. Comments from external, for instance, are more about requests for activity supports such as allowance for Idul Fitri 1430 H at Sukamandang village on 29 august 2009 and workers' report to manpower Agency on 24 April 2006. Examples of internal requests include memo of request to buy medicine for each plantation clinic for July-December 2009 period.	√
MA	Requests and answers about stakeholders are centralized in KLR main office (SOU Sukamandang) which covers plantation and palm oil mill areas. Information is provided based on requests; for institutions the information is more about routine reports on plantation and POM activities, while for non-institutions it is more about requests for support. The requests for information are all recorded in stakeholders' communication recording book with dates, issues, dates of completion, and actions taken by PIC. Moreover, to supplement information dissemination KLR provides leaflets which give information about each estate (SME, KKE, SIE and BDE), KLR location, CSR programs, organization structure, and mill process illustration. Organization information is also given during non-routine visits by local government institutions as well as to the village authority so that they can pass the information to their community. Also available is record of stakeholder information which includes date, name and type of request.	√
S1		
S2		
S3		
S4		
<b>1.1.2</b>	<b>Record of responses to information requests</b>	
PA	Answers to incoming letters are given in accordance with the above SOP and are more about responses to requests for support, and not yet about providing information from stakeholders.	√

MA	<p>Responses to the requests are noted and followed up in stakeholder communication book (see 1.1.1 above). Any communication on responses or requests of information particularly from institutions will receive a receipt prepared by KLR. For instance: RKL/RPL Semester II 2009 Report was received by BLH Seruyan and Kotawaringin Timur Regency on 12 April 2010, OHS Report to Manpower Agency of Kotawaringin Timur on May and July 2010, Jamsostek Report to Kotawaringin Timur on May and June 2010, etc. Based on the evidence of report submission as a response to request for information, it is known that KLR has not fully submitted its reports to institutions in Seruyan Regency. It is therefore recommended to complete the reports as a response to request for information from related institutions in Seruyan Regency. For instance: Manpower Report, Investment Realization report, etc. Company needs to consider submitting reports as a response to request for information to related institutions in Seruyan Regency. For instance: Manpower Report, Investment Realization Report, etc.</p> <p><b>Based on the above description, Non conformance in this indicator is CFA-2010.34.</b></p>	X
S1		
S2		
S3		
S4		
<b>1.1.3</b>	<b>The record of mentioned in 1.1.1 and 1.1.2 must be maintained for a period of time determined by the company, taking into account their relative importance.</b>	
PA	<p>The record of request for information and their responses has not been maintained for a period of time.</p> <p><b>Non-conformance in this indicator is CFA-2010.01.</b></p>	X
MA	<p>Record of requests for information and their responses for estates and Mill is kept for 3 years as determined in RSPO division with file number order stated in list of RSPO documents of PT KLR.</p> <p><b>Based on the above description, CFA-2010.01 is declared closed.</b></p>	√
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>Major</b>		
<b>1.2.1</b>	<b>Information and responses must include any relevant or required documentation, in accordance with applicable national laws, such as:</b>	
1.2.1a	Legal: Land titles/user rights (site permit, plantation operation permit, land use title, or other documentation relating to application for land use title in accordance with relevant procedures.	
PA	<p>There is a list of RSPO documents of PT KLR; however, the documents are not in monitored status (date of issuance and revision). In the list there are types of legal and permit documents, such as IUP (No. 445/Menhutbun-VII/2000), SIUP (02733/1.824.51), leasehold/HGU KLR Pemda Kotim (6487/1999.3571/1999) Principle Permit to open Forest Area ((IP2KH) ( 762/KPTS-II/1996).</p> <p><b>Non-conformance in this indicator is CFA-2010.02</b></p>	X

MA	List of RSPO documents of PT KLR has been classified as follows; legal documents, SOPs, references (like General Manager memo, research recommendation), polyclinic documents, report documents, etc. The documents must have expiry period, period of time, and be monitored. <b>Based on the description above, CFA-2010.02 is declared closed.</b>	√
S1		
S2		
S3		
S4		
1.2.1b	Environmental: Environmental and social impact assessment and environmental management and monitoring reports.	
PA	There is a list of permits to use machines, such as permit to use boilers. Also, there are ANDAL permit year 1996 from Kotawaringin Timur Regency RKL/RPL Report year 1998 and its report. Actual ANDAL and RKL/RPL have not been adjusted to actual condition, that is 60 tons per FFB (mill) and estates with the coverage of 14.779 Ha (leasehold/HGU year 1999).	√
MA	Effect Analysis documents are in the planning process of reviewing due to the change of mill capacity from 40 tons to 60 tons FFB. While waiting for this process, KLR revision process still refers to previous ANDAL, ANDAL year 1996 and authorized in 1998 in preparing RKL/RPL report. ANDAL, RKL/RPL documents and notes as well as report related with environment activities are in the list of RSPO documents.	√
S1		
S2		
S3		
S4		
1.2.1c	Social: Documents of social activities and community programs.	
PA	In the list of RSPO documents there are manpower, and CSR documents such as list of Jamsostek recipients, company facilities for accommodation, school, etc.	√
MA	Same as the pre-assessment; Social documents are managed and monitored and included in the list of RSPO documents (document category: CSR).	√
S1		
S2		
S3		
S4		
1.2.1d	Health and Safety Plan.	
PA	There is a list of OHS documents, such as list of fire extinguishers, PPE use, and OHS meeting.	√
MA	Same as the pre assessment; documents of health and safety program (or plan) are included in list of RSPO documents for OHS documents category and its period of time has been determined. for instance: list of fire extinguishers, PPE use checklist form, OHS meeting report, etc.	√
S1		
S2		
S3		
S4		

1.2.1e	Documentation of improvement plan.	
PA	Documentation of improvement program is in the form of direct response in letters or incoming information. However, the suggestion has not been noted as explained before.	√
MA	There is a monthly report of estates and Mill units. It covers area statement (change of area), rain falls, TK report, transportation, plant nurturing, production, cost, social and security, OHS, etc. The report is distributed to unit or plantation management, central management (GM, SGM, HPO, CEO, and BOD) and SOU report. The report covers a study and follow-up of activities done by Minamas (KLR). The Performance Report (above) is called Manager Report and is included in list of RSPO documents. For instance: Manager Report of July 2010 for estates and Mill.	
S1		
S2		
S3		
S4		
<b>1.2.2</b>	<b>The record must be maintained for a period of time determined by the company, taking into account their relative importance.</b>	
PA	See indicator major 1.1.3 <b>see CFA-2010.01</b>	X
MA	See indicator major 1.1.3.	√
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>Major</b>		
<b>2.1.1</b>	<b>Evidence of compliance with relevant legal requirements.</b>	
PA	KLR has table of content, laws and regulations document used as references for the operation of KLR's mill and estates. However, not all references have been updated. For instance: Act No.18 of 2004 art. 25 (concerning Palm Oil Plantation), PP74/2001 concerning Treatment of B3, Kepmen LH No 51/10/1995 (23/11/1995) concerning Liquid Waste Measurement, Kepmen LH No 13/MenLH/3/1995 concerning Non-movable emission measurement, Permenaker RI No. 5/Men/1996 concerning Work Safety and Health Management, KepmenLH No. 45/2005 concerning guideline of RKL/RPL reporting, Permen LH No. 2/2008 concerning Use of B3 Waste, Permen LH 3/2008 concerning Symbol of B3 Waste, Permen LH No.3/2009 concerning Certification of Competence Standard for manager of liquid waste treatment, etc. There is no evidence yet that the company has complied with law requirements as stated in the list of references above. <b>Non-conformance to this indicator is NC-2010.03.</b>	X

MA	The list has been updated for year 2010, for instance: Act No, 18 year 2004, KepmenLH 51/10/1995, PP 74/2001, kepmenLH 13/3/1995, KepmenLH No. 28 Year 2003 (Technical Guideline for Study of Waste Water Use from Oil Industry on Palm Plantation Soil). There have been evaluated Permenaker RI No. 5/men/1996, PermenLH 3/2008, PermenLH No.3/2009. PermenLH No. 18/2009 (B3 waste permit) documents. Evaluation documents were updated in June 2010 by RSPO team in a regular meeting. The updating for regulation includes, for example, permit for B3 waste storage of PT KLR No. 303 Year 2010 issued by Seruyan Regent date 31 August 2010 and is valid for 5 years. For tax (land and building/PBB) PT KLR has paid to Kotawaringin Timur and Seruyan Regency in 2008 and 2009 with the following amount: Year 2008 : Rp. 765.934.336,- (SPPT 62.02.120.012.000.0002-1)Year 2009 : Rp. 1.056.272.200,- (SPPT 62.02.120.012.000.0002-1)payable by Banjarmasin Office (Region for KLR). Waste permit and B3 symbol has complied with applicable regulations. <b>Based on the description above, NC-2010.03 is declared closed.</b>	√
S1		
S2		
S3		
S4		
<b>2.1.2</b>	<b>Evidence of effort made to comply with changes in the regulations</b>	
PA	Updating of regulations and requirements to refer to has not been conducted. <b>See indicator major 2.1.1.</b>	X
MA	KLR has updated regulations and evaluations periodically through meetings and consultations with related local institutions to obtain references for regulations and requirements. <b>See indicator major 2.1.1</b>	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>2.1.1</b>	<b>A document system, which includes written information on legal requirements that the palm oil company should comply with.</b>	
PA	There is inadequate evidence that KLR has evaluated the aforesaid regulations and requirements with proper documentation. <b>See indicator major 2.1.1</b>	X
MA	Updating and evaluation of regulations have been conducted and documented. <b>See indicator major 2.1.2.</b>	√
S1		
S2		
S3		
S4		
<b>2.1.2</b>	<b>A mechanism for ensuring that compliance with relevant legal requirements is implemented</b>	
PA	Evaluation of compliance to applicable and related legal requirements has not been conducted. <b>See indicator major 2.1.1</b>	X
MA	Evaluation is conducted periodically minimum once in 6 months and in each monthly meeting progress is evaluated. <b>See indicator major 2.1.1.</b>	√
S1		

S2		
S3		
S4		
<b>2.2</b>	<b>The rights to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</b>	
<b>Major</b>		
<b>2.2.1</b>	<b>Documents showing ownership or lease of the land in accordance with relevant laws.</b>	
PA	Company owns document of land concession in the form of Principle Permit issued by Governor, Location Permit issued by Regent No.2056.460/BPN/XII.1993, Decree of Forest Concession No. 762.KPTS-II/1996 and Leasehold Decree for land No. 6487.1999.3571/1999, certificate No. 11.	√
MA	Same as the pre-assessment; Land concession document has been presented in the list of RSPO documents; they are: Principle Permit issued by Governor, Location Permit issued by Regent No.2056.460/BPN/XII.1993, Decree of Forest Concession No. 762.KPTS-II/1996 and Leasehold Decree for land No. 6487.1999.3571/1999, certificate No. 11.	√
S1		
S2		
S3		
S4		
<b>2.2.2</b>	<b>Evidence that legal boundaries are clearly demarcated and visibly maintained.</b>	
PA	Boundary poles for KLR areas have been represented on the map and recorded in book of list of coordinates and book of boundaries of PT KLR and TSA. KLR has monitored and maintained BPN boundary signs (BPN's monitoring and maintaining form). For instance: boundary pole number seven at Bloc M19, L19, K19, K19, J, 19 and H19 is signed by assistant staff and manager for every estate. Based on field observation, boundary poles at Sukamandang Estate (SME) Block H19 Number BM 07 and Baras Danum Estate (BDE), that is Blok 56 Number BM 36, are maintained and monitored by using monitoring and maintaining of BPN boundary poles form. KLR has not got any planning and progress to monitor and maintain boundary poles surrounding KLR areas as well as progress on what have been done. <b>Non conformance in this indicator is CFA-2010.05</b>	X
MA	There is a plan for maintaining boundary poles (BPN poles) for all estates which covers Sukamandang, Baras Danum, Kuala Kuayan and Sapiri estate. For instance: the last monitoring was conducted on September 2010 for Estate Sukamandang area; In practice KLR has completed maintenance of all boundary poles in its estate in one day. <b>Based on the description above, CFA-2010.05 is declared closed.</b>	√
S1		
S2		
S3		
S4		

2.2.3	<b>Where there are, or have been, disputes, proof of resolution or progress towards resolution by conflict resolution processes acceptable to all parties are implemented.</b>	
PA	<p>KLR has a record of community aspiration or claim for land already planted. The record is identified by all estates in KLR (Estate Sukamandang, Sapiri and Baras danum are get land claim).</p> <p>The record has also described the phases which detailing the events, and responses for the process taken and its solutions. However, evidence of these phases process can not be presented. For instance, in the case of land claim in Sukamandang Estate by Sadilah with 1,250 ha, land claim at Sapiri Estate by Adan Sosok and Sipat Ubak, kland claim in Baras Danum Estate by Amat, Paer Pandu and Harles (Alek).</p> <p>Based on the 5 land claim cases, KLR has not been able to provide evidence of settlement or any progress with conflict resolution process acceptable for all parties as in land claim cases with:</p> <ol style="list-style-type: none"> <li>1. Sadilah and Abdul. Hadi at Estate SME</li> <li>2. Paer Randue at Estate BDE</li> <li>3. Amat at Estate BDE</li> <li>4. Adan Sosok and Sipat Ubak at Estate SIE,</li> <li>5. For Alek evidence that he authorizes Bertus F Matali and Benyamin AD Lambut is needed as stated in Notice of Verification by identification of land claim team who identified land claim by people from Pemantang Village and comprised of District-Level Executive Conference (Muspika) team from Kuala Kuayan district. The notice was signed on 9 March 2006 by Head of Sapiri Village, authorized representative of Alek, Head of Muspika team, BPD Pemantang and representative of KLR.</li> </ol> <p>Based on the interview dated 25 March 2010 with Head of Sapiri Village (Gotnes Arifin), it is clear that Block G46-53 area cannot be claimed; therefore, it is dismissed from claim and company can proceed with its concession.</p> <p><b>Non conformance in this indicator is NC-2010.04.</b></p>	<b>X</b>
MA	<p>A) For land claim case of Abdul Hadi and Sadilah based on land statement letter year 1958 with 6,400 ha; KLR refers to statement from BPN Kotawaringin Timur that one cannot own a land exceeding 20 ha.</p> <p>In the Notice dated 13 January 2010, there was a meeting between community leader (Liasen), KLR and related parties. It says that both parties agree to proceed with settling the land in conflict status without any intimidation.</p> <p>Before that there's a minutes of meeting prepared by Secretary of Kotawaringin timur dated 5 march 2002 attended by both parties. It stated that the settlement will be done through court.</p> <p>Next in the meeting on 15 February 2010 all parties including Government of Seruyan stated that both parties agree to settle this through amicable consultation and compensation will be given. If agreement cannot be reached, all parties would refer to the previous decision of Kotawaringin timur Regency.</p> <p>B) Traditional land case of Adan Sosok and Sipat who claimed land in SIE. The last documentation is a statement letter from head of Sapiri estate, Godnes Arifin who stated that both of them never had crop land on KLR HGU. The letter is dated 27 April 2010. (Claim by Palung Anjut).</p>	<b>X</b>

	<p>C) Case of land claim by Amat (submitted orally) is a claim of land used by company for road with 1.3 ha width. The land is claimed to belong to Amat. (Block J, K 60/61 BDE). KLR has responded the claim by contacting Muspika and is now in the process of settlement.</p> <p>D) Case of land claimed by Paer Randu at BDE and SIE. They claim for crop land and demand compensation for the land which they had worked on since 1974-1978. In the meeting with Muspika, Kuala Kuayan district and Mentaya Hulu district dated 27 January 2010 it is stated that each party will continue the process of settlement wisely and agree to meet in the follow-up meeting.</p> <p><b>Based on the description above, NC-2010.04 is declared Open in category Minor</b></p>	
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>2.2.1</b>	<b>Evidence of land acquisition resolution with free prior and informed consent.</b>	
PA	Have not been able to demonstrate evidence of land acquisition with FPIC <b>See indicator major 2.2.3.</b>	<b>X</b>
MA	<b>See indicator major 2.2.3.</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>2.2.2</b>	<b>A mechanism to resolve conflict which is accepted by all parties.</b>	
PA	There is a procedure for settlement of land conflict which covers identification and settlement of compensation process (for new land clearing). Conflict resolution mechanism needs to be reviewed, from procedure of accepting and responding to claim and procedure of old land claim which include mechanism of conflict resolution acceptable for all parties and transparent.  <b>Non conformance to this indicator is NC-2010.29.</b>	<b>X</b>
MA	There is a procedure for resolving land claim which covers identification and settlement of compensation process (for new land clearing). In this SOP the mechanism of handling complaint on KLR management (SOP RSPO/B.4.9/KLR) or conflict resolution has not covered conflict resolution mechanism acceptable by all parties and transparent. However, conflict resolution acceptable for all parties has been implemented. It is necessary to review SOP clearly covers mechanism of conflict resolution acceptable for all parties As reference to indicator Major 6.3.1 below. <b>Based on the description above, NC-2010.29 is declared Open category minor.</b>	<b>X</b>
S1		
S2		
S3		
S4		



2.3	<b>Use of land for oil palm does not diminish the legal rights, of other users, without their free, prior and informed consent.</b>	
Major		
2.3.1	<b>Record of any negotiated agreements between traditional owners of land and plantation companies (if any), supplemented with maps in appropriate scale.</b>	
PA	<p>There is evidence from BPN in the form of a Decree of Agrarian State Minister / Head of BPN 58/HGU/BPN/99 concerning lease hold / HGU for PT KLR which states that there is no crop land in the area by community. However, it still needs to be supported by statement from third party saying that KLR does not own land with traditional rights, that there are individual claims (see indicator major 2.2.3). Record of community claim process is kept in Record of People's Aspiration with matrix status to illustrate progress achieved by KLR. However, it is not yet supported by evidence of progress done.</p> <p><b>Non conformance to this indicator is CFA-2010.06</b></p>	X
MA	<p>There is a progress of information from village officers and local leaders stating that HGU of KLR and TSA used to be areas of forest concession rights and transformed to palm plantations. There is no traditional forest within the leasehold areas owned by community; however, there are some crop lands worked on individually by community inside and around the plantation.</p> <p>This letter was issued on 3 May 2010 by M. Dirin (Head of neighbourhood association) Tabion-Pemantang village, Mentaya Hulu Subdistrict; and I. Suryado (Local Leader) with the same address with Head of neighbourhood and acknowledged by Head of Pemantang village; Also Letter of statement issued by Tatui (Head of neighbourhood association Tajur Beras) and Osong (Local Leader) acknowledged by Head of Kawan Batu village.</p> <p><b>Based on the description above, CFA-2010.06 is declared closed, and this indicator is not longer applicable within this assessment.</b></p>	√
MA		
S1		
S2		
S3		
S4		
2.3.2	<b>Maps of an appropriate scale showing extent of recognised customary rights.</b>	
PA	<p><b>See indicator major 2.3.1</b> There is no land with traditional rights, so there is no map of land with traditional rights.</p>	X
MA	<b>Not applicable; See indicator major 2.3.1</b> - there is no traditional forest/land.	
S1		
S2		
S3		
S4		
2.3.3	<b>Copies of negotiated agreements detailing process of consent</b>	
PA	<b>See indicator major 2.3.1</b>	X
MA	<b>Not applicable; See indicator major 2.3.1</b> - There is no claim of land in relation to forest right/traditional land.	
S1		
S2		
S3		
S4		

<b>PRINCIPLE #3 COMMITMENT FOR 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>Major</b>		
<b>3.1.1</b>	<b>A document working plan of the company for a minimum of 3 years period.</b>	
PA	There is a document of Budget presentation 2010/2011 and 2012-2014 Projection of PT KLR for each estate (i.e. Sukamandang Estate, approval date on 18 Februari 2010). It covers Total production per Annual yield (in tons), Production per Annual yield (ton/ha), Actual and Estimated Production per year, Cost of Harvesting, Plant cultivation (fertilizing, HPT controlling, road maintenance, weeds controlling, border maintenance, soil conservation, sanitation & pruning, workers, non-plant capital, running account analysis (vehicle, heavy duty equipment), wages calculation, total cost analysis, general expenses analysis (estate administration - staff, permits, building maintenance, Environmental Safety and Health; road and bridges; Labour overhead - staff house maintenance, medicine, social activities, transportation).	√
MA	<u>Estate</u> : There is a document of budget presentation 2010/2011 (June 2010-May 2011) and 2012-2014 Projection of PT KLR for each estates (i.e. Sukamandang Estate, 18 Februari 2010), The Realization of budget 2010 until August 2010 for each activity is as follows: - Total Production (ton), Production Per Annual Yield (ton/ha), Actual and Estimated Production per year, Harvesting Cost, Plant Cultivation (fertilizing, HPT controlling, road maintenance, weeds controlling, border maintenance, soil conservation, sanitation & pruning, Workers, non-plant capital, running account analysis (vehicle, heavy duty equipment), wages calculation, total cost analysis, general expenses analysis (estate administration - staff, permits, building maintenance, Environmental Safety and Health; road and bridges; Labour overhead - staff house maintenance, medicine, social activities, transportation).	√
	<u>Palm Oil Mill</u> : There is a document of budget 2010/2011 (June 2010-May 2011) and Projection 2010-2014 (electronic file), explaining annual production plan from FFB supply to CPO and PK production as follows: - 2010-2011 : FFB 252,386,594 kg; CPO 60,194,203 kg; PK 11,357,397 kg; total palm product 71,551,599 kg. -2011/2012 : FFB 277,058,174 kg; CPO 66,355,433 kg; PK 13,021,734 kg; total 79,377,167 kg -2012-2013 : FFB 298,921,787 kg; CPO 72,339,072 kg; PK 14,198,785 kg; total 86,537,857 kg -2013/2014 : FFB 325,448,194 kg; CPO 78,107,567 kg; PK 15,621,513 kg; total 93,729,080 kg.  <u>Realization</u> 2010/2011 to August 2010: FFB 40,245,880 kg (84%); CPO 8,463,065 kg; PK 1,662,340 kg.	
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>3.1.1</b>	<b>Annual replanting programme where applicable, projected for a minimum of 5 years with yearly review.</b>	
PA	The oldest plant was planted in 1994 (16 years), so replanting plan has not been prepared.	√
MA	KLR has not planned for replanting in the next 5 years because the oldest plant is just 16 years old (planted in 1994).	√

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>Major</b>		
<b>4.1.1</b>	<b>Standard operation procedure (SOPs) for estates, from land clearing to Harvesting.</b>	
PA	SOP for estates is available: 1) Agricultural Reference Manual 110/EST-ARM/08, Minamas Plantation, was approved on 19 August 2008 by CEO (Franky Anthony). Copy number: 20.11.12, Distribution Date: 22 December 2008. Covers: Plant Material, Seed Techniques, Replanting, Land Clearing, Fertilization, fertilization of immature plant, Fertilization of immature plant with empty fruit bunch, Ablation, Ripeness standard, Harvest rotation, collection of loose fruit. 2) SOP Manual Agronomic Practices - Oil Palm, was approved on 1 December 2004, by Group Head Plantation Indonesia. Covers: Seeding, Field preparation, Water Conservation, Construction and Maintenance of Road/Bridge, Planting Legumes, Planting, Weeds Control, Pest and Disease, Pesticide and Its Treatment, Fertilizing, pruning, Harvesting, Transport Management, Peat Soil and Administration.	√
MA	SOP for estates is available: 1) Agricultural Reference Manual 110/EST-ARM/08, Minamas Plantation, was approved on 19 August 2008 by CEO (Franky Anthony). Copy number: 20.11.12, Distribution Date: 22 December 2008. Covers: Plant Material, Seed Techniques, Replanting, Land Clearing, Fertilization, fertilization of immature plant, Fertilization of immature plant with empty fruit bunch, Ablation, Ripeness standard, Harvest rotation, collection of loose fruit. 2) SOP Manual Agronomic Practices - Oil Palm, was approved on 1 December 2004, by Group Head Plantation Indonesia. Covers: Seeding, Field preparation, Water Conservation, Construction and Maintenance of Road/Bridge, Planting Legumes, Planting, Weeds Control, Pest and Disease, Pesticide and Its Treatment, Fertilizing, pruning, Harvesting, Transport Management, Peat Soil and administration.	√
S1		
S2		
S3		
S4		
<b>4.1.2</b>	<b>Standard operation procedure (SOP's) for Mills, from reception of FFB to dispatch of Crude pal oil and Palm Kernel Oil.</b>	
PA	KLR has a procedure related to palm mill activities namely Technical Guideline of Palm Mill. This guideline is a standard Operating Procedure (SOP) which covers reception of FFB, sterilization, thresher, digester, screw presser, vibrating screen, and seed separation, kernel to CPO storage. The SOP is controlled and documented.	√

MA	<p>POM of PT KLR has procedure related to palm mill activities namely Technical Guideline of Palm Mill No. Policy 110/POD-FAC/07, which includes procedure (1.1) Reception of FFB, (1.2) sterilization, (1.3) thresher (1.4) digester (1.5) screw presser, (1.6) vibrating screen, (1.7) Seed separation, (1.8) Kernel station, and (2.1) Storage of Palm Oil. The SOP is controlled and documented.</p> <p>The document has been distributed to all Senior General Manager and Mill General Manager dated 30 April 2007 based on Memorandum Head Plantation Operation No. POD-Mill-015/IV/2007.</p>	√
S1		
S2		
S3		
S4		
Minor		
4.1.1	<b>Records of checking or monitoring of operations. Minimum requirement: Once a year.</b>	
PA	<p>There are records of annual checking conducted 2 times a year and comprise of:</p> <p>a. Date 18 June 2009:</p> <ul style="list-style-type: none"> <li>- Stock Monitoring</li> <li>- Financial Aspect</li> </ul> <p>b. Date 10 December 2009:</p> <ul style="list-style-type: none"> <li>- Financial Aspect - cash flow</li> <li>- Stocks and Procurement</li> <li>- Stocks</li> <li>- Cultivation and Fertilization of Plant (controlling weeds, cogon grass, maintenance of manual and chemical path , maintenance of circle)</li> <li>- Application of empty fruit bunch</li> <li>- Harvest and its transportation</li> <li>- quality of loose fruit at TPH</li> </ul> <p>There are responses of PT KLR on checking result on every aspect.</p>	√
MA	<p>KLR performs Internal Audit activities 2 (two) times a year, either for estate or mill, conducted by Internal Audit Department in Banjarbaru.</p> <p>The latest Internal Audit for estate is 7 June 2010, covering all estate activities; audit finding No. PL 0910 1241 SME.BRTN1 MU shows that there is no technical non conformance or procedural non conformance.</p> <p>Report of Non conformance has been responded. Corrective actions have been conducted. The response was submitted to Head Plantation Operations through letter from Senior Manager Sukamandang Estate No. 009/SME-hpo/VII/2010/s on 22 July 2010.</p> <p>The latest Internal Audit report for Palm Mill dated 26 April 2010 (Report) with non conformance sheet No. PL 0910 1214 SMF.B RTN2 MA shows no non conformance of procedure.</p> <p>Although KLR has shown evidence of checking activities and monitoring of operational activities routinely every 6 months in relation to early implementation of RSPO system in the company, Quality auditor still needs to remind the company that Internal Audit emphasis should also consider technical operational achievement in accordance with existing SOP.</p> <p>It is recommended to perform Internal audit not only by emphasizing financial aspect, but also technical operational activities either at the estate or mill.</p> <p><b>Based on the description above, Non conformance in this indicator is CFA-2010.35.</b></p>	X

S1		
S2		
S3		
S4		
<b>4.1.2</b>	<b>Records of operational result.</b>	
PA	<p>There are:</p> <ol style="list-style-type: none"> <li>1. Report of Plantation Unit at Sukamandang Estate, January 2009 - December 2009 and January 2010 - February 2010, Minamas Plantation, covering: Monitoring of Harvesting Implementation (quality of fruit, quality of harvest area, workers output, transport), Control of workers, production realization, production achievement, crop quality, productivity, field situation, fertilization, stock go down, running account (vehicles, generator sets), fragile land identification, etc.</li> <li>2. Financial Report of Sukamandang Estate, Period January 2009 - December 2009 and January 2010 - February 2010, PT KRL, covering: monthly production report, production cost of FFB per division, maintenance cost, fertilizing cost, non-plant investment report, recapitulation of fixed assets investment.</li> <li>3. Production Report February 2010</li> <li>4. Fertilization Report at Sukamandang Estate</li> <li>5. Book of attendance foreman -1, First division, Sukamandang Estate, 23 March 2010.</li> <li>6. Book of foreman activities, First Division, 23 March 2010.</li> </ol>	√
MA	<p>Record of operational activities results is available in the following forms:</p> <ol style="list-style-type: none"> <li>1. Report of plantation unit of each Estate, as well as POM, presents plan and realization of area used, permanent activities (quality of fruit. quality of harvest area, workers' output, transportation) workers 'controlling, fertilization, IPM, road maintenance, warehouse stocks, and capital.</li> <li>2. Financial Report of Estate and POM, presents FFB production cost per division, mature maintenance cost, mature fertilization cost, non-plant investment, and fixed assets investment.</li> <li>3. Report of monthly production.</li> <li>4. Report of monthly fertilization.</li> </ol>	√
	<p>Examples of Realization year July 2010-June 2011 (until August 2010) - for Sukamandang Estate, are as follows:</p> <ul style="list-style-type: none"> <li>- population of plants: 3,636 ha</li> <li>- fertilizer : 3,287 ha</li> <li>- IPM : 11,802 meter,</li> <li>- harvested FFB production: - 13,922.880 ton – 3.829 ton/ha</li> <li>- transport FFB to Mill – 13,922,880 ton.</li> </ul>	
S1		
S2		
S3		
S4		
<b>4.2</b>	<b>Practise maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield</b>	
<b>Minor</b>		
<b>4.2.1</b>	<b>Record of regular soil, leaf, and visual analysis.</b>	
PA	<p>There is a record of Soil Analysis period of July 2009 which consists of:</p> <ul style="list-style-type: none"> <li>- Suitability class for each estate as follows: <ol style="list-style-type: none"> <li>1. Sapiri Estate: class S3, Typic Plinthudults, Grossarenic Kandiudults, Arenic Plinthic Kandiudult.</li> <li>2. Kuala Kuayan Estate: class S3, Typic Plinthudults, Grossarenic Kandiudults)</li> </ol> </li> </ul>	√

	<p>3. Baras Danum Estate: class S3, Typic Plinthudults, Grossarenic Kandiodults, Petroferric Hapludox, and Typic Hydraquents.</p> <p>4. Sukamandang Estate: class 3, Typic Plinthudults, Grossarenic Kandiodults, Typic Endoaquepts, and Typic Psammaquents.</p> <p>Preliminary survey or observation survey is conducted periodically, followed by detail soil survey to get detail information on the suitability of land. Level of sustainability is determined based on integrated analysis results among type of soil, soil nutrients, climate, and topography. However, company has not determined clearly its period of measurement.</p> <p>There are records of Leaf Analysis period year 2007, 2008, and 2009 in the form of Leaf Analysis Test Report document. They cover Block, Leaf Sampling Unit Number, Width, Planting Year, number of trees, population per hectare, type of soil, percentage of Nutrient (N, P,K,Mg, and Ca)</p> <p>Leaf analysis is conducted once a year by taking leaves sample per block.</p>	
MA	<p>KLR has a procedure for Fertilizer Recommendation No. Policy I-04/MRC-SOP/10 date 01 April 2010, specifying steps to be taken in preparing fertilizer recommendation, such as: conducting leaf analysis, soil analysis, and visual observation on field.</p> <p>Leaf Analysis Test Report is available for period of Year 2007, 2008 and 2009, and shows that KLR has conducted leaf analysis regularly (every year) and use it as basis for fertilizer recommendation. The report among others present information on Number of model Block, number of leaf sampling unit, Width of model block, year of planting, number of trees, population per hectare, type of soil, percentage of soil nutrients (Ash, N, P, K, Mg, and Ca).</p> <p>Result of soil analysis is written in Detail Soil Survey Report or soil survey Report which presents information of level of soil suitability (combining level of soil fertility, topography, climate, and type of soil). Detail Soil Survey Report is available for Sukamandang Estate, while for Sapiri Estate, Kuala Kuayan Estate, and Baras Danum Estate the report is still in the process of writing.</p> <p>Implementation of soil survey is conducted once in 5 (five) years.</p>	√
S1		
S2		
S3		
S4		
<b>4.2.2</b>	<b>Records of efforts to maintain and increase soil analysis (e.g. the use of fertilizer, legume cover crops, compost, and land application of POME or EFB) based on the results of analysis carried out as in point 1 above.</b>	
PA	<p>Available are:</p> <ul style="list-style-type: none"> <li>- Recommendation of fertilization year 2008/2009 and 2009/2010 for Sukamandang Estate, Sapiri Estate, Baras Danum Estate. Issued by Minamas Research Centre.</li> <li>- Record of Realization of fertilization Per Type of fertilizer Period 2009/2010, Sukamandang Estate. This fertilization activity is based on fertilization recommendation.</li> <li>- Plan and Realization of Empty fruit bunch application 2009 - 2010, Sukamandang Estate.</li> </ul> <p>However, evaluation of program realization is not available.</p> <ul style="list-style-type: none"> <li>- Legend of Application Effluent 2009/2010, Sukamandang Estate.</li> </ul>	√

MA	<p>PT KLR, through Minamas Research Centre (MRC), has prepared Recommendations of Fertilization document for all estates (SME, SIE, KKE, and BDE) as a result of integrating leaf analysis, soil analysis, and visual. The document describes the following: leaf nutrients status, soil type, population of plant, FFB production, rainfall, and strategy of fertilization application (organic and Non-organic fertilization).</p> <p>For a period of 2010-2011, MRC recommends chemical and organic fertilization (empty fruit bunch and land application). Based on Plantation Unit Monthly Report year 2010-2011 (period August 2010) the following are information of realization of fertilization activity, application of empty fruit bunch, and land application:</p> <ul style="list-style-type: none"> <li>- Chemical fertilization - 3.287 ha,</li> <li>- Empty fruit bunch application - 4.869.080 kg.</li> <li>- Land application in 12 block (G-29, G-30, G-31, G-32, I-30, I-32, I-31, J-30, J-31, H-30, H-31, and H-32).</li> </ul>	√
S1		
S2		
S3		
S4		
<b>4.3</b>	<b>Practices to minimise and control erosion and degradation of soils.</b>	
<b>Minor</b>		
<b>4.3.1</b>	<b>Maps of fragile must be available.</b>	
PA	<p>Not available.</p> <p>Non conformance in this indicator is NC-2010.08</p>	X
MA	<p>Based on Detail Soil Survey Report and soil Survey Report - April 2010, area categorized as fragile soil is soil type with suitability class of N1 (currently unsuitable). Based on the documents above, it is known that in KLR area there are:</p> <ul style="list-style-type: none"> <li>- 12,596 ha (90%) of land classified as class S3 (moderately suitable),</li> <li>- 544 ha (3.8%) of land classified as class S2 (suitable), and</li> <li>- 818 ha (5.8%) of land classified as class N1 (currently unsuitable). This class of land is categorized as fragile soil class and is recommended to be treated as HCVF area.</li> </ul> <p>Distribution of each class of land in accordance to its level of suitability, including land categorized as fragile soil, has been mapped into Land Class type scale 1:500.</p> <p><b>Based on the above description, NC-2010.08 is declared closed.</b></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>Based on soil analysis report year 2008 and 2009, there are management strategies for planting on areas with certain acclivity in Baras Danum Estate and Sukamandang Estate, among others are:</p> <ul style="list-style-type: none"> <li>- Construction of terrace during land preparation activity and construction of individual terrace.</li> <li>- Planting legumes before planting activity on terrace wall.</li> </ul>	X

	<ul style="list-style-type: none"> <li>- Construction of silpit, in the forms of Plan document and realization of silpit 2008/2009</li> <li>- Construction of frond with U-shape frond stacking method.</li> <li>- Planting <i>Nephrolepis</i> on the terrace wall when the population of legumes decreases.</li> <li>- Terrace maintenance.</li> </ul> <p>However, company can not demonstrate its effectiveness against erosion control.  <b>Non conformance in this indicator is NC-2010.07</b></p>	
MA	<p>Based on Report of Detail Soil Survey document, the management strategy for planting in the area with certain acclivity are as follows:</p> <ul style="list-style-type: none"> <li>- Construction of terrace during land preparation and construction of individual terrace.</li> <li>- Planting legumes before planting activity on terrace wall.</li> <li>- Construction of silpit,</li> <li>- Construction of frond with U-shape stacking method.</li> <li>- Planting <i>Nephrolepis</i> on the terrace wall when the population of legumes decreases.</li> <li>- Terrace maintenance.</li> </ul> <p>Until August 2010 the following have been realized in KLR area:</p> <ul style="list-style-type: none"> <li>- Individual terrace - 30.709 spot.</li> <li>- Planting legumes - no Land Clearing area.</li> <li>- Construction of silpit - 210.645 units.</li> <li>- U-Shape frond stacking - in all productive plants area.</li> <li>- Planting <i>Nephrolepis</i> - 4.987 ha.</li> </ul> <p>KLR has made effort to monitor erosion rate through pole method constructed in Blok J-26 Sukamandang as an area representing acclivity of 15-30%. The erosion control poles were constructed on the second week of September 2010 so report of measurement data is not available.</p> <p><b>Based on the description above, NC-2010.07 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.3.3</b>	<b>Presence of a road maintenance program</b>	
PA	<p>Availability of report on:</p> <ul style="list-style-type: none"> <li>- Lateritic road plan map Division 1, 2 and 3 Sukamandang Estate 2010/2011.</li> </ul>	√
MA	<p>Availability of report on road maintenance in all KLR working areas in the form of Legend Realization Lateritic matrix (until August 2010) for 15,430 km.</p>	√
S1		
S2		
S3		
S4		
<b>4.3.4</b>	<b>Subsidence of peat soils should be minimised under an effective and documentes water management programme.</b>	
PA	<p>There is no peat soil</p>	√
MA	<p>Not applicable for implementation.</p> <p>Based on Report on Detail Land Survey and Report on 'Land Observation' Survey (April 2010), it has been identified that there is no peat soil in KLR area.</p>	√
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	<ul style="list-style-type: none"> <li>- Construction of empty fruit bunch on unfertile land based on visual observation. For instance: area near factory location, the land's texture is sandy, with low productivity history.</li> <li>- Planting <i>Nephrolepis</i> in all areas which have not been planted with it. All workers must plant <i>Nephrolepis</i> in those areas.</li> <li>- Construction of silpit in the land with acclivity or flat which functions as water reservoir.</li> </ul> <p><b>Non conformance in this indicator is CFA-2010.09.</b></p>	<b>X</b>
MA	<p>Based on Report of Detail Soil survey and Report of "Land Observation Survey" documents April 2010, all lands classified as Suitability Class N1 and N2 are declared fragile soil and are recommended to be treated as HCVF. The width of the area in this area class is 818 hectare. Based on visit report to Blok I-33 Bukit Kapal, Sukamandang Estate, the area has been allocated as HCV-1.3 (Refugia satwa) and HCV-6 (holy ground).</p> <p>Organisation also recommends to conducted organic fertilization, construction of silpit and planting <i>Nephrolepis</i> in several block identified as critical land. Organic fertilization with land application, can be found in Block G-29, G-30, G-31, G-32, I-30, I-32, I-31, J-30, J-31, H-30, H-31, and H-32; application of empty fruit bunch and planting <i>Nephrolepis</i> can be found almost in all areas. Based on leaf analysis report and soil nutrients year 2007 - 2009, it is found that there is a consistency of soil nutrients which means that the level of soil fertility can still be maintained.</p> <p><b>Based on the description above, CFA-2010.09 is declared closed.</b></p>	<b>√</b>
S1		
S2		
S3		
S4		
<b>4.4</b>	<b>Practices to maintain quality and availability of surface water and ground water.</b>	
<b>Major</b>		
<b>4.4.1</b>	<b>Protection of watercourses and wetland, including maintaining and restoring appropriate riparian buffer zones at or before replanting.</b>	
PA	<p>Determining buffer zone area based on Memo from Head TQEM to all General Manager Estate dated 13 May 2009, with details as follow:</p> <ul style="list-style-type: none"> <li>- 500 m from dam or lake bank</li> <li>- 200 m from spring bank and left and right side of river in the swamp.</li> <li>- 100 m from left and right side of riparian</li> <li>- 50 m from left and right side of stream bank.</li> <li>- 2 times depth of gorge from the edge</li> <li>- 130 times disparity of the highest tide to the lowest tide from sea shore.</li> </ul>	<b>X</b>

	<p>Treatment that has been conducted in the buffer zone area:</p> <ul style="list-style-type: none"> <li>- Planting Vertiver plant, and Mahony.</li> <li>- Prohibition to conduct chemical spray activities.</li> <li>- Prohibition to poison fish in the river.</li> </ul> <p><b>Non conformance in this indicator is NC-2010.10</b></p>	
MA	<p>KLR has prepared Document of Plans for watercourses, riparian, and other wet lands (lakes, dams) to be treated as HCVF 1 area (1.2- almost extinct Species and 1.3- endangered species Habitat) and HCVF 4 (4.1-Ekosystem of water supply and flood control for people in the downstream, 4.2-important area for erosion control and sedimentation, and 4.4-important area to fulfil basic needs of farming and fishery. Total HCV area in KLR is 783.54 hectare (5.3% from total concession area).</p> <p>Determining the area is also supported by Memo from Head of TQEM to all General Manager Estate date 13 May 2009, in order to determine protective water sources area with the following details:</p> <ul style="list-style-type: none"> <li>- 500 m from dam or lake rim</li> <li>- 200 m from spring rim and left and right side of river in the swamp area.</li> <li>- 100 m from left and right side of riparian</li> <li>- 50 m from left and right side of stream rim.</li> <li>- 2 times depth of gorge from its edge</li> <li>- 130 times disparity of the highest tide and the lowest tide from sea shore.</li> </ul> <p>Report of visit to Blok N-71, Sungai Simpang bank, Baras Danum Estate - based on HCV identification report document states that the area is treated as HCV 4.1-water supply Ecosystem and HCV 4.2-Erosion control. Visual observation report indicates the area condition is a natural forest with tree trunks and relatively good land coverage. In the location information board declaring HCV 4.1 and 4.2"; and an appeal for "No hunting" has been constructed. The surroundings are palm trees of 2008 (Blok N-019) with hilly condition. Progress of management prepared by company has not been specified in details.</p> <p>Blok N-56 Tajur Beras, Baras Danum Estate. Based on Report of HCV identification document, the area is treated as HCV 4.4-with the function as basic needs for farming and fishery. However, information board declaring the area as "HCV 4.1" has been constructed.</p> <p>Visually the condition of the area has been identified as wet land (during site visit the land is swamped with water) and condition of forest stand in HCV area is very rare, most of the tree trunks died and the company has no plan to rehabilitate. This causes HCV in danger of damaged or even loss.</p> <p>Considering the function of the area as area to supply basic needs for farming and fishery while it is directly in border with palm trees of 2008 (Blok N 016), it is necessary to emphasize prevention of water contamination in the area management plan.</p> <p><b>Based on the description above, NC-2010.10 is declared closed and NC-2010.36 category minor is issued.</b></p>	<b>X</b>
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>4.4.1</b>	<b>An implemented water management plan.</b>	
<b>PA</b>	POM has IPAL for waste water treatment from CPO process and kernel. Product of waste water treatment is applied as land application (certified No. 188.44.170/2008, 7 May 2008) and valid	

	<p>for 2 years.</p> <p>To observe effects to environment particularly about waste water (land application), KLR monitors and measures water quality in observer well and water quality in Kalali and Kawan Batu river with reference to PP 82/2001 (water quality parameter) and measurement of last IPAL pool for BOD parameter. Measurement result shows environment parameter complies with related standard (as in the reference)</p>	√
MA	<p>Same as the Pre assessment.</p> <p>POM has IPAL for waste water treatment from CPO and kernel process. Product of waste water treatment is used for land application with license No. 188.44.170/2008 date 7 May 2008, valid for 2 years.</p> <p>Monitoring of surface water quality and ground water is done periodically, once in 3 (three) months by Independent Surveyor (Sucofindo Laboratory-Pontianak). Parameter used includes COD by K<sub>2</sub>Cr<sub>2</sub>O<sub>7</sub>, BOD<sub>5</sub> days 20°C, total suspended solid matters, oil and grease, pH at 29.00°C, Pb, Cu, Cd, and Zn.</p> <p>The last test was conducted in March 2010, sample of water for test came from people's well in Pondok II; river water after application Block G28; river water before application Block I 29; The test result was evaluated based on the limit allowed by Permenkes No 416/IX of 1990. All environment parameters tested indicates they are under the limit allowed.</p>	√
S1		
S2		
S3		
S4		
<b>4.4.2</b>	<b>Monitoring of effluent BOD</b>	
PA	See indicator minor 4.4.1. Monitoring and measurement of BOD result still shows that it is still under the limit.	√
MA	<p>See indicator minor 4.4.1. Above.</p> <p>There are evidences that KLR has conducted monitoring of BOD of liquid waste monthly from waste water pool No. 15; 2 waste water pools No. 10; waste water pool No. 01; disposal drainage from mill No. 2 and No. 1; and test of monitoring well every 6 months by Sucofindo laboratory - Pontianak.</p> <p>The last waste water test ( 05 August 2010) indicates BOD level of each pool as follows:</p> <ul style="list-style-type: none"> <li>- Waste pool 01 : 12,224.37 mg/lit.</li> <li>- Waste pool 10 : 164.20 mg/lit.</li> <li>- Waste pool 15 : 265.40 mg/lit.</li> </ul> <p>The latest monitoring pool test was conducted in April 2010 on Monitoring Well H-31 and Monitoring Well H-32. The test report indicates that the BOD is under the limit allowed by Regulation No. 82 of 2001; the detail is as follows:</p> <ul style="list-style-type: none"> <li>- Monitoring well H-31 : 3.84 mg/lit.</li> <li>- Monitoring well H-32 : 4.10 mg/lit.</li> </ul>	√
S1		
S2		
S3		
S4		

<b>4.4.3</b>	<b>Monitoring of mill water use per tonne of FFB</b>	
PA	There is monitoring of water use every meter cubic per ton FFB, recorded every month and compared with the standard, for instance: in February 2010 it is recorded 0.96 m <sup>3</sup> per ton FFB for palm oil process; and 0.83 m <sup>3</sup> per ton FFB for domestic water.	√
MA	There are Monitoring of Water Use per FFB July 2009/June 2010 which records water use per ton FFB produced in m <sup>3</sup> /ton FFB; details are as follow: <u>actual</u> : July 09 -1.36; August 09 – 1.51; September 09- 1,,3; October 09- 1.45; November 09 – 1.58; December 09 -1.40; January 10- 1.49; February 10 -1.79; March 10 -1.52; April 10 - 1.57; May 10-1.41; June 10 -1.18. <u>budget</u> : July 09-2.53; August 09 -2.83; September 09 -3.57; October 09 -2.42; November 09- 2.44; December 09-2.44; January 10 -2.89; February 10-2.92; March 10-3.20; April 10-2.58; May 10-2.40; June 10-2.48.	√
S1		
S2		
S3		
S4		
<b>4.5</b>	<b>Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate integrated Pest Management techniques.</b>	
<b>Major</b>		
<b>4.5.1</b>	<b>An IPM plan is documented and current</b>	
PA	There is a Pest Control program which comprises of: Division, location, area width, rotation, number of workers day, material/ha/rotation (Nest box, Decis, diesel oil, gasoline), material needs, pest control cost, and cost per hectare.  Worms are controlled by planting Beneficial plants such as <i>Turnera subulata</i> , <i>Casia cobanensis</i> , and <i>Antigonon leptosus</i> . The planting is with ratio of 20 meter per 1 ha along collection road and main road. <i>Antigonon leptosus</i> are planted in the block corners as hedges.	
PA	Rat control is conducted by using owls ( <i>Tyto alba</i> ). There is a nest box of owl for every 30 ha. Total nest boxes in Sukamandang Estate are 130 units. KLR has a program to increase the number of nest boxes up to a ratio of 1 nest box for 15 hectares in 2010/2011.	√
MA	Same as the pre assessment There is a pest control program which covers: division, location, area width, rotation, number of workers day, material/ha/rotation (Nest box, Decis, Diesel, Gasoline), material needs, pest control, and cost per hectare.	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>4.5.1</b>	<b>Monitoring extent of IPM implementation including training.</b>	
PA	There are: - Realization of <i>Turnera subulata</i> and <i>Vertiver</i> planting in Division 1 Sukamandang Estate period 2005 to June 2009. Total plants planted are 53,448 m - Map of nest box position in Sukamandang Estate. The number of nest box constructed is 130 units, with a ratio of 1 nest box for 30 ha. - History of pest and control, division 2, Year 2004 - 2005.	√

MA	<p>There are:</p> <ul style="list-style-type: none"> <li>- Realization of <i>Antigonon leptosus</i> planting in Division 1 Sukamandang Estate period January-June 2010. Total planted on Collection Road (2 units) and main road (56 units).</li> <li>- Realization of <i>Turnera subulata</i> and <i>Vertiver</i> planting in Division I, II and III Sukamandang Estate until June 2010. Total planted is 172.090 m.</li> <li>- Realization of monitoring owl (<i>Tyto alba</i>) period 2009-2010. The number of nest boxes constructed is 130 units, with a ratio of 1 nest box for 30 ha.</li> </ul> <p>The number of baby owl period February 2010 in Division III Sukamandang Estate is 7.</p> <p>Company has conducted internal training in relation to IPM program by Plantation Advisory Minamas Plantation. However, the training has not been fully documented. For instance: attendance list, effectiveness after training and follow-up of training report.</p> <p><b>Based on the description above, Non conformance is CFA-2010.38.</b></p> <p>Company appoints Hadlani Susilo as person in charge of HPT Main Office.</p>	X
S1		
S2		
S3		
S4		
<b>4.5.2</b>	<b>Monitoring of pesticide toxicity units (a.i. /LD 50 per tonne of FFB or per hectare)</b>	
PA	<p>Not available is monitoring of pesticide toxicity.</p> <p><b>Non conformance in this indicator is NC-2010.12</b></p>	X
MA	<p>There is a monitoring of agrochemical use in PT KLR from 2005 to 2010. Realization of pesticide use in the period of June 2010 includes coverage, number of pesticide uses, spray rotation, and number of active substance used. For instance:</p> <ul style="list-style-type: none"> <li>- Audit, dosage used is 0.64 lt/ha. Spray coverage is 421 ha, number used is 245 liters.</li> <li>- Garlon, dosage used is 0.06 lt/ha. Spray coverage is 518 ha, number used is 30 liters.</li> </ul> <p><b>Based on the description above, NC-2010.12 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.6</b>	<b>Agrochemicals are used in a way that does not endanger health or environment. There is no prophylactic use of pesticides, except in specific situations identified in national best practices guidelines. Where agrochemicals are used that are categorized as World health organisation Type 1A or 1B, or are listed by Stockholm or Rotterdam convention, growers are actively seeking to identify alternatives, and this is documented.</b>	
<b>Major</b>		
<b>4.6.1</b>	<b>Evidence of use of only approved and registered agrochemicals permitted by the relevant authorities</b>	
PA	<p>Agrochemicals used:</p> <ul style="list-style-type: none"> <li>- LENTREK 400EC, active ingredients <i>Klorpirifos</i> 400 gr/liters; Registration No: RI. 798/4-99/T</li> <li>- INDOSTICK 100/20 AS, active ingredient etilenocide, polivinil alcohol, condesat nonilfenol. Registration No: RI. 896/9-91/T</li> <li>- Meta-Prima 20 WDG, active ingredient: <i>Metil Metsulfuron</i>. Registration No: RI. 1897/8-2003/T</li> <li>- AUDIT 486 SL, active ingredient: <i>Isopilamina glifosat</i> 486 gr/liters. Registration No: RI. 1836/9-2008/T</li> </ul>	√

	<ul style="list-style-type: none"> <li>- KENLON, active ingredient: <i>Triklopir butoksi etil ester</i>. Registration No: RI. 2433/5-2006/T</li> <li>- GARLON, active ingredient: <i>Triklopir</i>. Registration No: RI. 695/8-2003/T</li> <li>- STARANE 200 EC, active ingredient: <i>Kloroksipir</i>. Registration: RI. 854/5-2004/T.</li> </ul>	
MA	<p>Agrochemicals used are the same as above.</p> <ul style="list-style-type: none"> <li>- AUDIT 486 SL, active ingredient: <i>Isopilamina glifosat</i> 486 gr/liters. Registration No: RI. 1836/9-2008/T.</li> <li>- GARLON, active ingredient: <i>Triklopir</i>. Registration No: RI. 695/8-2003/T.</li> <li>- LENTREK 400EC, active ingredient <i>Klorpirifos</i> 400 gr/liters. Registration No: RI. 798/4-99/T</li> <li>- INDOSTICK 100/20 AS, active ingredient <i>etilenocid polivinil alkohol kondensat nonilfenol</i>. Registration No: RI. 896/9-91/T.</li> <li>- Meta-Prima 20 WDG, active ingredient: <i>Metil Metsulfuron</i>. Registration No: RI. 1897/8-2003/T.</li> <li>- KENLON, active ingredient: <i>Triklopir butoksi etil ester</i>. Registration No: RI. 2433/5-2006/T.</li> <li>- STARANE 200 EC, active ingredient: <i>Kloroksipir</i>. Registration No: RI. 854/5-2004/T.</li> </ul>	√
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 is a report of chemical ingredients use from 2004 - May 2009 by PT KLR, Sukamandang Estate. Covers: chemical substance and Volume (liters).</p> <p>However, applied area, amount applied per hectare, and number of rotation have not been documented.</p> <p><b>Non conformance to this indicator is CFA-2010.13</b></p>	<b>X</b>
MA	<p>There is a realization of pesticide used in the period of June 2010 and includes area treated, amount of pesticide used and spray rotation. For instance:</p> <ul style="list-style-type: none"> <li>- Audit, dosage used is 0,64 liters/ha. Area treated: 421 ha, amount used: 245 liters, rotation; 3 times a year;</li> <li>- Garlon, dosage used is 0,06 liters/ha. Area treated is 518 ha, amount used 30 liters, rotation once (1) a year.</li> </ul> <p><b>Based on the description above, CFA-2010.13 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.6.3</b>	<b>Documentary evidence that usage of agrochemical is appropriate for the target species, given at correct dosage and applied by trained personnel in accordance with the product label and storage instructions.</b>	
PA	<ul style="list-style-type: none"> <li>- Herbicide GARLON, to control wooden weeds (<i>Melastoma sp</i>), dosage used is 0.33 liter/ha (recommendation on label instruction is 0.8 - 1.2 l/ha).</li> <li>- MSDS GARLON, produced by PT Pacific Chemicals Indonesia. It is in force since 29 June 1993, revision 3 July 1997.</li> </ul>	√

MA	See indicator major 4.6.1. There is a list of agrochemical used by the company. - Herbicide Audit, to control grass weeds, dosage used is 0.64 litter/ha (recommendation on label instruction is 1.5-3.0 litter/ha). - Herbicide GARLON, to control wooden weeds ( <i>Melastoma</i> sp), dosage used is 0.33 litter/ha (recommendation on label instruction is 0.8 - 1.2 l/ha). - MSDS GARLON, produced by PT Pacific Chemicals Indonesia. It is in force since 29 June 1993, revision 3 July 1997.	√
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	There is a procedure for agrochemical waste treatment in the form of SOP for B3 waste and Non-B3 Point 5.2.3 Chemical Containers Treatment. Treatment is conducted by washing and rinsing the chemical packages three times, punch a hole on the plastic packaging of chemical substance, and collected them in a designated storage room.  However, procedure for sterilizing in accordance with label instruction or MSDS has not been produced. <b>Non conformance to this indicator is CFA-2010.13.</b>	X
MA	There is a procedure of chemical substance packaging waste treatment. They are disposed in accordance with applicable laws and include procedure for pesticide sterilization. However, it is not fully implemented. For instance: in the chemical substance warehouse of Kuala Kuayan Estate packages without a hole punched on them before storage can still be found. <b>Based on the description above, CFA-2010.13 is declared closed, but instead CFA-2010.38 is issued.</b>	X
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>4.6.1</b>	<b>Documentary evidence that use of chemicals categorised as world health organisation Type 1A or 1B, or listed by the Stockholm or Rotterdam convention, and paraquate is reduced or eliminated</b>	
PA	See indicator major 4.6.1	√
MA	See indicator major 4.6.1 It is indicated in Memorandum of Minamas Plantation No. POD-UM-122/X/2008 dated 4 November 2008 that agrochemical application with paraquate is prohibited. Based on recapitulation of agrochemical use in Sukamandang Estate, Paraquate is no longer in use since June 2009.	√
S1		
S2		
S3		
S4		

<b>4.6.2</b>	<b>Records of the result of health check up for those who apply agrochemicals</b>	
PA	Documentation of operators' medical check-up is conducted periodically (in the form of register). The check-up is for both plantation and mill workers.	√
MA	KLR has presented list of planning and realization of medical check-up for workers in Plantation and mill. The check-up is conducted every 6 months internally and externally (Ministry of Manpower) (see indicator 4.7.2 minor)	√
S1		
S2		
S3		
S4		
<b>4.6.3</b>	<b>Records showing that no work with pesticides for pregnant and breast feeding women.</b>	
PA	There is no evidence and implementation of pregnant or breast feeding women doing spraying works.	√
MA	There is no evidence of practice for pregnant or breast feeding women doing spraying works.	√
S1		
S2		
S3		
S4		
<b>4.7</b>	<b>An occupational health and safety plan is documented, effectively communicated and implemented.</b>	
<b>Major</b>		
<b>4.7.1</b>	<b>Evidence of a documented occupational safety and health (OSH) policy and its implementation.</b>	
PA	<p>There is a OSH policy approved by CEO Minamas Plantation dated 5 July 2008, which covers:</p> <p><u>Commitment:</u>  Company is responsible for implementing OSH program in all operational activities in the plantation and mill. To realize this company has set up operational procedure in the entire plantation and mill. The commitment is realized in compliance of work OSH regulation, and continuous improvement so that it becomes a means of risk control and management of company activities.</p> <p><u>Aims and Targets:</u></p> <ol style="list-style-type: none"> <li>1. Provide protection for everyone involved in the company's activities (<i>Zero accident</i>) and company's assets.</li> <li>2. Realize a safe and healthy business activity and increase workers' awareness towards Safety culture.</li> <li>3. Implement Republic of Indonesia Act on OSH.</li> </ol> <p>There is OHS Procedure No: 711/TQEMS-P2K3/07, Minamas Plantation. Approved on 14 December 2007 by Head Plantation Operation.</p>	√



MA	<p>Same as the Pre-assessment.</p> <p>KLR has OSH policy as commitment, aims and targets. Efforts to implement OSH is conducted through Hazard Identification, Risk Assessment and Control (HIRAC), OSH training, full sets of PPE and its use as well as OSH monitoring, signboard (encouragement), safety briefing, and monitoring of work accident. The data are documented and implemented.</p> <p>During the mill visit was conducted in accordance with the procedure and understandable by each worker. For instance: SOP of emergency situation (RSPO/B.4.1/KLR), fire handling (RSPO/B.5.2/KLR), PPE use, etc.</p>	√
S1		
S2		
S3		
S4		
4.7.2	<p><b>Responsible person for health and safety programmes are to be identified and records of regular meetings to discuss health, safety and welfare issues must be kept.</b></p>	
PA	<p>There is a P2K3 Organizational Structure as stated in SOP of OSH document No: 711/TQEMS-P2K3/07.</p> <p>Supervisory Committee for Work Health and Safety of PT KLR has been established:</p> <ol style="list-style-type: none"> <li>1. POM Sukamandang based on Decree of Head of Manpower and Transmigration Kotawaringin Timur Regency No: KEP.560.566/93/KEP/WAS.KK/P2K3/2010 dated 19 Februari 2010.</li> <li>2. Sukamandang Estate based on Decree of Head of Manpower and Transmigration Kotawaringin Timur Regency, No: KEP.560.566/52/KEP/WAS.KK/I/P2K3/2009, date 17 June 2009.</li> </ol>	√
	<p>There are documents of regular OSH meetings, among others are:</p> <ul style="list-style-type: none"> <li>- P2K3's minutes of meeting from PT KLR. P2K3 PT KLR Sukamandang Estate's Minutes of Meeting dated 24 August 2009 stated that the meeting was attended by 22 participants (Assistant, Head of section, Doctor, Head of workshop, Mechanical Operator, and Foreman). Things to discuss: information session on the importance of PPE, consequences of not using PPE, providing PPE for all workers, B3 waste treatment, Construction of Signboard, Encouragement for OSH in strategic places, prevention of fire, daily checklist of OSH, and documentation of OSH activities.</li> <li>- Minutes of Safety Briefing, dated 13 September 2009. Participants: POM Supervisor, harvest section and loose fruit section pickings. Speaker: Manager POM Sukamandang. Materials presented: Work health aspect for workers which covers PPE use, work safety aspect for workers which includes PPE use, work safety aspect on working equipment such as sickle gloves, etc.</li> </ul> <p>SOP OSH No: 711/TQEMS-P2K3/07 regulates periodical meeting once in every 3 months or on request.</p> <p>KLR has implemented OSH activities in every aspects, such as; PPE use for workers, construction of OSH sign boards, traffic signs in every road, using head lamps during the day, providing APAR in every public facility, mill, vehicles, and working equipment.</p>	

MA	<p>There is a committee related to OSH implementation comprising of OSH supervisors for each estate in KLR (Sukamandang, Baras Danum, Kuala Kuayan and Sapiri) issued by Head of Manpower Agency KOTIM Regency, for instance: the committee for SME was approved on 17 June 2009, KKE on 30 April 2009, and BDE on 17 June 2009. All S/O are effective for 2 years since the date of their enactments.</p> <p>There is a quarterly report on P2K3 issues for each estate including the mill. For instance: first quarter report of SME on 6 Feb 2010 and for POM in May 2010. P2K3 reports and minutes of meeting are prepared every month and illustrate information on OSH organizational structure approved by Head of Manpower and Transmigration Agency Kotawaringin timur regency, work accident monitoring, for POM there are reports of lighting check in POM area, safety tools for turbine, boiler, stelizer, and fire extinguishers for all stations.</p>	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>4.7.1</b>	<b>Provision for accident insurance for workers</b>	
PA	There is a provision for accident insurance for workers that are JAMSOSTEK.	√
MA	<p>According to the latest Data recapitulation in August 2010, KLR has paid occupational accident insurance for total of its 2,342 workers.</p> <p>The data report of August 2010 indicates that all workers of POM Sukamandang (150 workers) have been registered as members of JAMSOSTEK. They comprise of 107 monthly, 10 daily SKU, and 33 Non SKU. All have been paid.</p>	√
S1		
S2		
S3		
S4		
<b>4.7.2</b>	<b>Regular health examination by a doctor for workers in station exposed to high risk work.</b>	
PA	See indicator minor 4.6.2 - there is documentation of workers medical check report periodically.	√
MA	<p>See Indicator minor 4.6.2 - Regular check up is done every 6 months (for estate) for sprayer and fertilizer team, the latest data is August 2010.</p> <p>There is a schedule for workers' check-up in each unit or estate; that is months for check-up. Actual for SME is August, June for SIE, May for BDE, including mill by Manpower agency in August 2010. For instance: Processing Foreman, Boiler operator, Engine Room Operator. The check-up is conducted every 6 months. The last medical check-up was conducted by Ministry of Manpower office in Kotawaringin Timur regency, on 1 May 2010, attended by 25 workers comprising of 4 Process Foremen, 9 Boiler Operators, 4 engine Room Operators, 8 other workers from various units (laboratory, warehouse, garage, etc).</p>	√
S1		
S2		
S3		
S4		

<b>4.7.3</b>	<b>A document risk assessment for occupational health and safety (OHS)</b>	
PA	<p>There is a document of OHS risk analysis, such as:</p> <ul style="list-style-type: none"> <li>- Risk Report for Period Ended in 30 September 2008, Sukamandang Estate.</li> </ul> <p>However, there inadequate evidence that risk analysis for each activity affects workers' health and safety.</p> <p>OHS plan has not been fully implemented, for instance; conducting OHS training, doing risk analysis in estate, providing OHS equipment and P3K in estates, and evaluating work accident.</p> <p><b>Non conformance to this indicator is NC-2010.14</b></p>	<b>X</b>
MA	<p>There are documents and evaluation related to OHS implementation, they are:</p> <ul style="list-style-type: none"> <li>- HIRARC (Hazard Identification, Risk Assessment and Risk Control) as result of occupational accident risk identification in all mills, from weighbridge, office, loading ramp, sterilization, thresher station, empty fruit bunch, press station, nut cracking station, kernel storage, kernel plant, clarification, boiler station, etc).</li> <li>- Report of Monitoring of occupational accident in Plantation/POM, which indicates date, name of victim, sex, location of accident, loss of working days, and accident category.</li> <li>- Period July 2009-June 2010, it was reported that 3 occupational accidents happened with "minor" category 3; they happened on 7 August 2009 (Didik Cahyono-Roll machine), 27 March 2010 (Riyanto – Thresher station), and 18 April 2010 (Hidayat - Boiler station).</li> <li>- Report of occupational accident evaluation and corrective actions taken to avoid similar accident.</li> <li>- HIRAC documents for plantation in all estates covers every plantation activities, from land clearing to harvesting.</li> </ul> <p><b>Based on the description above, NC-2010.14 is declared closed.</b></p>	<b>√</b>
S1		
S2		
S3		
S4		
<b>4.7.4</b>	<b>Records of OHS training</b>	
PA	<p>Not available.</p> <p><b>Non conformance to this indicator is NC-2010.14</b></p>	<b>X</b>
MA	<p>There are training schedule for P2K3, OHS training and socialization of RSPO for year 2010 scheduled for may and October 2010.</p> <p>Actual implementation of the activity conducted on 7 May 2010 for all trainings above and they have been documented in the forms of photographs, and list of attendance for all participants from plantation and mill.</p> <p><b>Based on the description above, NC-2010.14 is declared closed.</b></p>	<b>√</b>
S1		
S2		
S3		
S4		
<b>4.7.5</b>	<b>Accident and emergency preparedness procedures.</b>	
PA	<p>There is a procedure to be conducted in emergency situation as stated in policy of Environment Protection document, prepared by Committee of Environment Protection Policy Minamas Plantation No: KPL/04/2003, 30 April 2003. The process is as follows:</p> <ul style="list-style-type: none"> <li>- Communicate with EMT (Emergency crisis Management Team) member or related parties like operational manager, assistant and other staff.</li> </ul>	<b>X</b>

	<ul style="list-style-type: none"> <li>- Representative of EMT must ensure all workers and others have left the building and prepare proper places.</li> <li>- Evacuation Route must be clear and understandable for all workers.</li> <li>- Manager must be responsible in explaining to all workers and EMT by checking the last person to leave the location. Missing ones must be reported to EMT representative and fire department or related institutions.</li> <li>- In case of fire, workers which have been used to fire extinguisher equipment must try to extinguish the fire before making a report.</li> <li>- If the fire grows bigger, fire alarm in the mill shall be activated. All workers must be evacuated immediately and gathered in a safe place near the location.</li> </ul> <p>There is a procedure of fire handling RSPO/B.5.2/KLR, approved by Head of SOU on 4 March 2009. However, it is not yet completed with date of distribution and number of copy/control document.</p> <p>There is no procedure for fire handling and earthquake for building area around estate, like office area, garage, warehouse, and housing.</p> <p>In Estate: there is no sign of evacuation if there is a fire or earthquake either in the office or in the house.</p> <p><b>Non conformance to this indicator is NC-2010.15</b></p>	
MA	<p>There is an evidence in the form of Simulation Notice which indicates that KLR has done simulations of emergency cases towards fire in the mill complex in 2010; they were in 7 April 2010 followed by 33 persons from mill (16 persons) and estate (17 persons); and from 28-29 July 2010 joint simulation between KLR and TSA was joint by 59 persons, Instructors from Fire department Kotawaringin Timur regency.</p> <p>Implementation of Emergency Response situation has been completed with the following:  SOP of Fire Handling (RSPO/B.5.2/KLR), Recovery of emergency situation (RSPO/B5.18/KLR),  SOP of Evacuation (SOP/B.5.15/KLR), Earth quake (SOP/B.5.16/KLR),  Identification and evaluation of emergency potential (SOP/B.5.17/KLR), Emergency exercises (SOP/B.5.95/KLR)  Handling of Explosive (SOP/B.5.20/KLR); all procedures above must be signed by each manager estates and POM to be implemented.</p> <p><b>Based on the description above, NC-2010.15 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.7.6</b>	<b>Evidence of OHS and first aids equipment available at worksites.</b>	
PA	<p>There are reports of fire extinguishers equipment for SME, SIE, KKE, and BDE.</p> <p>However, there is no inventory of first aids equipment and no inspection schedule for availability and condition of the equipment periodically yet.</p> <p><b>Non conformance to this indicator is NC-2010.16.</b></p>	X
MA	<p>There are checking device or monitor for PPE standard in all estates and POM, for every part of the work, such as: helmet, glasses, ear plug, gloves, safety shoes, uniform,  Those PPE equipment are distributed for estates and POM.</p> <p><b>Based on the description above, NC-2010.16 is considered to be closed.</b></p>	√
S1		

S2		
S3		
S4		
<b>4.7.7</b>	<b>Workers trained in first aid should be present in both field and mill operations.</b>	
PA	Can not be presented. <b>Non conformance to this indicator is NC-2010.17.</b>	<b>X</b>
MA	There are schedules for P2K3, OHS training and Socialization of RSPO for year 2010 for plantation and POM to be scheduled for may and October 2010. Agenda for training includes PPE use, OHS training and socialization of RSPO.  All workers in the mill and plantation have been trained and are scheduled for other training. Note of training plan and documentation of the last first aid implementation was conducted on 7 May 2010 (see also indicator minor 4.7 4 above).  <b>Based on the description above, NC-2010.17 is declared closed.</b>	<b>√</b>
S1		
S2		
S3		
S4		
<b>4.7.8</b>	<b>Records of the occurrence of any work accidents are maintained and regularly reviewed.</b>	
PA	There are records of the occurrence of work accidents from period July 2007 - February 2010, Sukamandang Estate.	<b>√</b>
MA	Record of occurrence of work accidents both in the plantation or mill is mentioned in P2K3 quarterly routine report and monitored monthly.	<b>√</b>
S1		
S2		
S3		
S4		
<b>4.8</b>	<b>All staff, workers, smallholders and contractors are appropriately trained.</b>	
<b>Major</b>		
<b>4.8.1</b>	<b>A document training programme for staff, employee and scheme smallholders in accordance with workers' position and competences.</b>	
PA	Can not be demonstrated a document training program for staff. <b>Non conformance to this indicator is NC-2010.18</b>	<b>X</b>
MA	See 4.7.4 above. There is a training schedule for P2K3, OSH and a Socialization of RSPO for year 2010 to be scheduled in May and October 2010. Agenda of the training includes use of PPE training, P3K training, OSH training and RSPO socialization. Actual implementation on 7 May 2010 for all types of training above was documented as photographs and attendance list of all participants from mill and plantation. for lower level briefing was conducted by assistant and foreman (training agenda above)	<b>X</b>

	<p>According to Head of SOU all personnel from top, middle and lower management (foremen and workers) must have RSPO, P2K3 and OHS knowledge (<b>Condition: Closed</b>).</p> <p>However, during the observation at POM Sukamandang, organization has not been able to show a training program designed needs or job competence.</p> <p><b>Based on the description above, NC-2010.18 is declared Closed and NC-2010.39 for POM is issued.</b></p>	
S1		
S2		
S3		
S4		
<b>4.8.2</b>	<b>Records of training for each employee are kept.</b>	
PA	Limited Pesticide Training Minamas Plantation, 24 June 2009, was conducted by Plantation Agency Kotawaringin Timur Regency. It was attended by 80 participants; attendance list is available.	✓
MA	<p>Report of training for all personnel up to staff level (assistant), and not yet for foremen and workers. Actually all have participated in RSPO, OHS training, etc; however, not all of them have been recorded in personal training report. For instance: Bharma (assistant of agronomy) has not taken OHS training, Febrizal (Mill Manager) has not recorded for RSPO, Tony Manurung (Assistant PSD) has not got personal record, OSH training for Head (SOU) (Haryadi), also there has not been records in mill level. For instance: Parsaoran Butar-butur (Safety Officer), Anwar (head of administration Mill), etc. It is recommended to update database for every personnel involved in good RSPO.</p> <p><b>Based on the description above, Non conformance in this indicator is CFA-2010.40.</b></p>	X
S1		
S2		
S3		
S4		
<b>4.8.3</b>	<b>Evidence that the company uses experienced or trained contractors.</b>	
PA	<p>Can not be presented.</p> <p><b>Non conformance to this indicator is NC-2010.19</b></p>	X
MA	<p>Types of contractor used by KLR are for Roads and Bridges. Each contractor will receive SPK which specify in the article the contractor's obligation to provide and implement PPE, take care of environment conservation, and provide insurance. For instance; Work Order/ SPK No. SME/SPK-LKL/IV/2010/031/JMBTN for bridge contractor and SPK No. SPK/SME/LKL/IV/2010/030-SWAB (<b>Condition: closed</b>)</p> <p>During the observation at POM there was a contractor who transported CPO. However, it is necessary to complete evidence of implementation stating that the contractor was trained.</p> <p><b>Based on the description above, NC-2010.19 is declared Closed; however, CFA-2010.41 is issued.</b></p>	✓
S1		
S2		
S3		
S4		

<b>PRINCIPLE #5 ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODEVERSITY.</b>		
<b>5.1</b>	<b>Aspects of plantation and mill management, including replanting that have environmental impacts are identified, and plants to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.</b>	
<b>Major</b>		
<b>5.1.1</b>	<b>Documentation impact analysis.</b>	
PA	Document ANDAL, Kotawaringin Timur Regency Central Kalimantan 1996 for KLR and TSA; and document RKL and RPL with KLR's mill capacity of 40 Tons FFB / hour and plantation hectare of 15,500 ha and reserved hectare of 17.500 ha; however, the actual HGU/concession land of 1999 is 14,799 ha and the capacity of 60 Tons FFB per hour. PT KLR needs to revise its RKL /RPL documents in accordance with the actual condition.  <b>Non conformance to this indicator is NC-2010.20.</b>	<b>X</b>
MA	There is a document ANDAL of 1996 in the name of PT KLR (15,500 hectares) and PT TSA (16,000 hectares) and plan to build POM with the capacity of 40 tons/hour, approved by Agriculture Minister Head of Agribusiness Board No. 35/ANDAL/RKL-RPL/BA/X/1998 dated 9 October 1998. Due to the change of capacity of POM from 60 tons/hr, ANDAL revision is not available. Company effort is to communicate with authorized institutions through letter No. 117/UM-PSD/KLR/VI/2010 dated 02 June 2010 concerning Explanation to ANDAL and RKL/RPL PT KLR documents, attention to Head of Environment Board Central Kalimantan Province. The letter was responded with Order Letter to prepare DELH (Environment Evaluation Document) from Ministry of Environment No. B-6736/Dep.I/ LH/09/2010. Based on the letter, based on information from one of PSD, KLR has a target to revise ANDAL in the form of DELH no later than June 2011.  <b>Based on the description above, NC-2010.20 is declared open category minor.</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>5.1.2</b>	<b>Records of regular report on environmental management in accordance with relevant regulations.</b>	
PA	There are RKL and RPL PT KLR's reporting documents submitted per semester. The last reporting was for period I year 2009 (January-June 2009) and is in the process of submission for period II (July - December 2009). Evaluation conducted in RKL/RPL documents includes: a. Quality of air for boiler in semester I meets the standard. However, it needs to be completed for period 2009 semester II. b. Quality of air for ambient air (security post. mill area, behind mill) semester I meets the standard. However, it needs to be completed for period 2009 semester II. c. There is no standard reference or quality standard for quality of air for noise and vibration (it needs to be completed for period 2009 semester II)	<b>√</b>

	<p>d. Quality of liquid waste period I year 2009 (March-June) has been measured, but there is no standard reference or quality standard.</p> <p>e. Quality of monitoring well block H-31 and 32 (April-May 2009) has been measured, but there is no standard reference or quality standard.</p> <p>f. There is no report of B3 waste treatment.</p> <p>g. There are no supporting data of fire potential, plants and animals disturbance, people's unrest.</p> <p>Note: for noise, ambient air, and chimney measurement are still in the process of measurement.</p>	
MA	<p>Records of environment management reporting is available in the form of RKL/RPL Implementation Report prepared periodically, every 6 months and submitted to related institutions. For instance: there is an evidence of submission for Report Semester II 2009 (July-December 2009) dated 12 April 2010 and was accepted by Environment Board/BLH Kotawaringin Timur Regency and Seruyan Regency.</p> <p>Report of RKL and RPL Implementation Period I (January-June 2010) is still in a draft form (not submitted yet to authorized institutions), contains information of environment parameter as follows:</p> <p>a. Quality of work environment by Manpower and transmigration agency South Kalimantan Province, dated 31 March 2010, includes:</p> <p>(1) Measurement of Mechanical Vibration for boiler (&lt; BTG), engine room station (&lt; BTG), and kernel station (&gt; BTG). BTG = Vibration Level Standard based on Kep.49/MENLH/11/96).</p> <p>(2) Intensity of Noise for boiler (&gt; NAB), Engine machine station (&gt;NAB), and Kernel station (&gt;NAB). NAB = Maximum Limit Batas based on Kep-51/Men/1999.</p> <p>There is an evidence of balancing repair on wet nut transport fan 1 &amp; 2, ID Fan boiler 1 &amp; 2, and fibre cyclone fan.</p> <p>(3) Measurement of light intensity for boiler room (adequate), engine room (poor), kernel station (adequate). Referred to Regulation of Labour Minister Per.7/Men/1964.</p> <p>(4) Index of wet temperature and ball (ISBB) for boiler station, engine room, and clarification 2 overall &gt; NAB (KepMenaker Kep-51/Men/1999).</p> <p>b. Non-movable emission test for:</p> <p>(1) generator chimney, parameter tested were NH3, CL2, HCL, HF, NO2, Opacity, Particulate, SO2, reduced H2s. All measurement results are &lt; BME (Emission Quality Standard) based on Kepmen LH No. 13/MENLH/3/1995.</p> <p>(2) Steam cattle with fibre and/or kernel for its gas. Parameters tested are particulate, SO2, NO2, HCL, NH3, HF, and Opacity. Measurement result indicates lower than BME (Emission Quality Standard) based on Kepmen LH No. 13/MENLH/3/1995.</p>	✓
	<p>C. Test of ambient air in POM housing and in front of mill. Parameters tested were NO2, SO2, CO, TSP (ash), PM 10, HC, O3, noise, temperature, RH, and wind speed. The measurement result is &lt; BM (PP No. 41 of 1999 concerning Ambient Air quality Standard).</p> <p>d. Test of water quality for February-June 2010 from eight wells of worker housing, seven sample of rivers water after land application at Block G28, six sample of river water before land application at Block I 29, four monitoring wells at Block H31, three waste water pond number 15, two sample of waste water from pond number 10, one sample of waste water pond number 01, disposal drainage from mill number 1 and 2. The test was conducted by Sucofindo laboratory, Pontianak. Parameters tested were COD by K2Cr2O2, BOD5 days 20°C, total suspended solid matters, oil and grease, pH at 29.00°C, Pb, Cu, Cd, and Zn. (Maximum Limit Value refers to Government regulation 82/2001).</p>	
S1		
S2		
S3		
S4		



<b>Minor</b>		
<b>5.1.1</b>	<b>Revisions to environmental management document if there are changes in companies operating areas or activities.</b>	
PA	See indicator major 5.1.1 above. Needs revision in accordance with actual condition.	<b>X</b>
MA	KLR has not prepared plan to revise ANDAL (in the form of DELH) in relation to change of capacity in POM from 40 tons/hour to 60 tons/hour.  <b>Based on the above description, NC-2010.20 is declared open in Minor category.</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>5.2</b>	<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.</b>	
<b>Major</b>		
<b>5.2.1</b>	<b>Records of results of identification of any protected, rare, threatened or endangered species, and HCV habitat</b>	
PA	Identification of protected, rare, or endangered species and habitat with high conservation value species is still in the process by consultant GAGAS DINAMIGA AKSENTA since August 2009 (list of attendance at Opening meeting is available on site). Complete identification findings are not available yet on location.  Based on temporary findings, it has been identified that in KRL operational area there are 96 types of bird from 32 Family ; however, their category of rareness have not been identified; HCV areas identified are as follow: (1) HCV 1 : Kuala Kuayan Estate, Baras Danum Estate, and Sukamandang Estate. (2) HCV 4 : in all estates (Kuala Kuayan, Baras danum, Sukamandang, Sapiri, and around POM location). (3) HCV 5 : Baras Danum Estate (4) HCV 6 : Baras Danum and Sukamandang Estate.  All HCV locations have been mapped. Organization cannot show evidence that public consultation process has been conducted as required by applicable regulation. <b>Non conformance to this indicator is NC-2010.21.</b>	<b>X</b>
MA	HCV (High Conservation Value) findings of PT KLR are available on location, January 2010, prepared by Aksenta. Information in the document are among others: existence of animal species comprising of 13 fish species, 8 amphibious species, 19 reptile species (11 species included in Appendix II CITES), 73 bird species (13 species included in Appendix II CITES), and 35 types of mammals (5 species included in Appendix I CITES and 13 species included in Appendix II CITES).  Types of mammals included in Appendix I Areh kukang ( <i>Nycticebus menagensis</i> ), orang utan kalimantan ( <i>Pongo pygmaeus</i> ), beruang madu ( <i>Helarctos malayanus</i> ), macan dahan ( <i>Neofelis diardii</i> ), and kucing batu ( <i>Pardofelis marmorata</i> ).	

	<p>In KLR operational area 783.54 hectares of HCV have also been identified and comprise of:</p> <ul style="list-style-type: none"> <li>- HCV 1 (1.2 - protection of almost extinct species; 1.3 - animal refugium) in KKE, BDE, and SME areas;</li> <li>- HCV 4 (4.1 - water to meet daily needs of community; 4.2 - river banks; 4.4 - water for farming and fisheries) are in KKE, BDE, SME, and SIE areas;</li> <li>- HCV 5 - area with function of fulfilling basic community needs is located in area BDE; and</li> <li>- HCV 6 - area with holy and sacred values and respected by community are located in area BDE, SME.</li> </ul> <p>Total of HCV area for each estate is as follow: KKE – 88.13 ha; BDE-589.83 ha; SME- 60.30 ha; and SIE – 45.05 ha.</p> <p>There is an evidence of attendance List on 12 August 2009 which indicates that company (KLR) has conducted public hearing in relation to HCV establishment involving stakeholders, such as Youth Association, Local Development Board, Head of Village and community/religious leaders. However, other stakeholder required by Toolkit of HCV Identification in Indonesia, such as Government Institutions, NGOs, and Universities/research centres' have not been involved.</p> <p><b>Based on the description above, NC-2010.21 is declared closed, and NC-2010.42 is issued.</b></p>	<b>X</b>
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>Still in the process. <b>See indicator 5.2.1 above.</b></p> <p>Company has prepared Standard Operating Procedure for Animal Protection (RSPO/B.5.6/KLR) dated 01 May 2009 among others are: Clause 5.1 Doing preventive actions through socialization; Clause 5.2 Doing seizure of animals caught in the company operational area.</p>	<b>√</b>
MA	<p>Same as the Pre Assessment - Company has prepared SOP for Animal Protection (RSPO/B.5.6/KLR) dated 01 May 2009 among others are: Clause 5.1 Doing preventive actions through socialization; Clause 5.2 Doing seizure of animals caught in the company operational area.</p> <p>See 5.2.1 above - in KRL area several rare species of animals have been identified, among others: 11 species of reptile included in Appendix II CITES; 13 species of bird included in Appendix II CITES; and 35 species of mammals included in Appendix I CITES and 13 species of mammals included in Appendix II CITES. Types of mammals included in Appendix I are kukang (<i>Nycticebus menagensis</i>), orang-utan kalimantan (<i>Pongo pygmaeus</i>), beruang madu (<i>Helarctos malayanus</i>), macan dahan (<i>Neofelis diardi</i>), dan kucing batu (<i>Pardofelis marmorata</i>).</p> <p>783.54 ha have been identified as HCV area and are spread in KLR area. They have been mapped. HCV management program has been prepared by company, covering all areas in each estate, among others are: construction of sign boards, planting of buffer zone (riparian) and monitored.</p> <p>Existence of signboard and no hunting prohibition signs can be found in HCV location, such as in Block N-71 BDE Simpang River (HCV-4.1 and 4.2), Blok N-56 BDE Tajur Beras (HCV-4.4) and Blok F-34 SIE Bukit Susu (HCV-4.2). However, efforts of planting wooden trees in Blok F-34 SIE Bukit Susu (HCV-4.2) failed.</p> <p>To achieve a better HCV management, company must review its HCV management program by setting up steps of HCV management and protection more suitable with their aims.</p> <p><b>Based on the description above, CFA-2010.43 is issued.</b></p>	<b>X</b>

S1		
S2		
S3		
S4		
<b>5.2.3</b>	<b>Measures taken for protecting species and their habitats must be in accordance with relevant laws and included actions to control any illegal or inappropriate hunting fishing or collecting activities.</b>	
PA	Company has prepared SOP for Animal Protection (RSPO/B.5.6/KLR) dated 01 Mei 2009 among others through: Clause 5.1 Doing preventive actions by doing socialization; Clause 5.2 Doing seizure of animals caught in company operational area. SOP has been approved by Head of SOU (Hariadi Supiyanto) dated 4 March 2009.	√
MA	<p>Same as pre-assessment – The Company has prepared <i>Standard Operating Procedure for Animal protection</i> (RSPO/B.5.6/KLR) dated 01 May 2009 among others through: Clause 5.1 Doing preventive actions by doing socialization; Clause 5.2 Doing seizure of animals caught in company operational area. SOP has been approved by Head of SOU (Hariadi Supiyanto) dated 4 March 2009.</p> <p>Several efforts have been conducted to protect rare species such as putting posters of rare animals, and prohibition boards for not to hunt in locations often visited and walked through by local people. (In area HCV 6).</p> <p>Company has also monitored species, especially protected animals whose existence have been identified in HCV area. Evidence of monitoring species is available on location, for instance <i>tallysheet</i> monitoring of area HCV 4.2 Block J28 Division I Sukamandang Estate, was conducted on 15 September 2010.</p> <p>To achieve a better species management, company is recommended to review its information substance or prohibition on signboard, so that they are more suitable with the purpose of management in the location. For instance: No Hunting Boards can be put in animals protected area; No Fish Poisoning in protected water resources area.</p> <p><b>Based on the description above, CFA-2010.43 is issued.</b></p>	X
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>5.2.1</b>	<b>Posters and signs warning of the presence of protected species are to be produced, distributed, and made visible to all workers and the community, including guidelines in handling them.</b>	
PA	In strategic locations (sideways of main street and road) one can find warning boards informing people to protect animals from hunting and illegal hunting, and information about HCV identified area. During the site visit HCV location boards could be found in Block IJ-28 Sukamandang Estate (HCV-4), Blok K-33 Sukamandang Estate (HCV-4 and HCV-6).	√

MA	<p>Based on the HCV progress till August 2010, company has realized all signboard construction plans, including posters in areas identified as HCV 1.3 (like in Block I-33, Kapal Mountain - SME). Socialization to all workers was conducted periodically, once in 2 weeks through "safety briefing" - directly by Assistant or Foreman in each estate.</p> <p>Findings in site visit to Block I-33, Kapal Mountain, Sukamandang Estate, prove that company has put posters about protected animals (such as orang utan, rangkong bird, etc); however, information on how to handle them has not been produced.</p> <p><b>Based on the description above, the non conformance is CFA-2010.43.</b></p>	X
S1		
S2		
S3		
S4		
<b>5.2.2</b>	<b>Companies are to appoint dedicated and trained officers to monitor any plans and activities as above.</b>	
PA	<p>Company has appointed Hadlani Susilo to supervise plan of monitoring and protection of species activities; however, his letter of appointment has not been produced and he has not been trained, either.</p> <p><b>Non conformance to this indicator is NC-2010.22</b></p>	X
MA	<p>Organization has appointed Arsyad as person in charge of monitoring and protecting species and HCV in KLR operational area.</p> <p>This personnel has taken training as proofed by Attendance List and Module of training related to HCV management in collaboration with Centre for conservation and natural Resources, Pangkalan Bun. The training was conducted from 25-26 August 2010, with 40 participants from all estates KLR, TSA, and ITH. Training modules include: Plant Inventory, Animal Inventory, and introduction to protected species as regulated in PP No. 7, 1999 date 27 January 1999. The certificate of training was signed by Head of centre conservation and natural resource Palangkaraya.</p> <p><b>Based on the description above, NC-2010.22 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>5.3</b>	<b>Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.</b>	
<b>Major</b>		
<b>5.3.1</b>	<b>All waste and pollutions sources are identified and documented.</b>	
PA	<p>Waste and pollutions for palm plantation have not been documented.</p> <p><b>Non conformance to this indicator is NC-2010.23 and CFA-2010.13.</b></p>	X

MA	<p>KLR has conducted monitoring of B3 waste produced by estate. For instance: waste from polyclinic and Central warehouse for every estate.</p> <p>Then for every mill activity source of waste has been identified. For instance; lubricant oil from estate to mill, POME, affects of spray waste and fertilizer to pollution in Kalali River (SIE plantation, SME, and Mill) and Manggis River (from activities in BDE and KKE), boiler with air pollution measurement, water contamination affects community's dug wells.</p> <p><b>Based on the description above, NC-2010.23 and CFA-2010.13 are declared 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	<p>There are evidences of measurement results and monitoring of environment parameters from several points considered as source of waste or contamination, among others are: liquid waste pool, boiler, generator room, and river. However, either in the plantation or in POM the documentation of sources of waste and contamination identification results has not been able to be presented. (see indicator major 5.3.1 above)</p>	X
MA	<p>Monitoring and measurement of environment parameter have been conducted for plantation and POM areas. The results are as follow:</p> <p>a. Waste water for land application - some measurement results do not comply with quality standard, for instance measurement result in August 2010: for TSS in pool 10, PH for pool is 15.</p> <p>b. River water (Kalali river) has been measured (last data was taken in April 2010); however, there is no evaluation comparing data with reference to PP.82/2001 concerning treatment of water quality. River Manggis has not been measured.</p> <p>c. Boiler has been measured (data of April 2010). Actual smoke from boiler is black and there is an effort to repair and build new boiler (target Nov 2010).</p> <p>d. B3 waste is treated by disposed it to B3 waste licensed supplier.</p> <p>e. Well water (monitored every 6 months) (the last one was in April 2010) has not been evaluated in accordance with Minister of Health Regulation RI No. 416/MENKES/PER/IX/1990, (3/9/1990) concerning quality of drinking water and clean water.</p> <p><b>Based on the description above, NC-2010.23 is declared closed, and NC-2010.44 is issued.</b></p>	X
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>5.3.1</b>	<b>Management plan of hazardous waste and instruction of disposal of agrochemical and their containers waste in accordance with the product label and existing regulations.</b>	
PA	<p>There is an SOP of B3 Waste and Non B3 Waste Treatment (RSPO/B.5.5/KLR) dated 08 June 2009 which covers among others: Procedure for Storing B3 Waste (Section 5.1) and Ways to reduce B3 waste and Non B3 (Section 5.2)</p>	√

MA	Same as the Pre-Assessment; B3 Waste treatment is implemented according to the procedure. For instance: lubricating oil is sold or sent to licensed parties by PT Gamter - Jakarta (license from KLH and with manifest); medical waste (clinic) are collected in clinic and in the process of controlling to be sent to Banjarmasin (licensed collector) and Health Agency (requests) to be destroyed.	√
S1		
S2		
S3		
S4		
<b>5.3.2</b>	<b>Records of waste monitoring / analysis</b>	
PA	Plantation only records the number submitted by POM. Every transfer must have Notice.	√
MA	There are report and analysis of waste from plantation and POM, for instance: waste water for land application, emission of Boiler air and generator, B3 waste from plantation and POM	√
S1		
S2		
S3		
S4		
<b>5.4</b>	<b>Efficiency of energy use and use of renewable energy is maximized.</b>	
<b>Minor</b>		
<b>5.4.1</b>	<b>Records of monitoring renewable energy use and its efficiency analysis (energy/ton CPO, or energy/ton palm product).</b>	
PA	Evaluation of renewable energy has not been conducted to see its efficiency. <b>Non conformance to this indicator is NC-2010.24</b>	<b>X</b>
MA	KLR can show record and calculation of energy and renewable energy use such as total fibre and fibre compared to total CPO, Diesel consumption per year. Condition closed. However, KLR needs to complete evaluation of renewable energy use by pointing the problems and its follow-up (prevention act). For instance: total of fibre use, consumption of diesel, water consumption, electricity and steam.  <b>Based on the description above, NC-2010.24 is declared closed and CFA-2010.45 is issued.</b>	<b>X</b>
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	Evaluation of energy use has not been fully conducted to determine its efficiency. For instance: oil (litter unit per ton FFB or CPO), power supply (Kwh unit per ton FFB or CPO). <b>See indicator minor 5.4.1.</b>	<b>X</b>
MA	<b>See indicator minor 5.4.1</b> above - related to fossil fuel.	<b>X</b>
S1		
S2		
S3		
S4		

5.5	<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 practise.</b>	
<b>Major</b>		
<b>5.5.1</b>	<b>Documented assessment where fire has been used for preparing land for replanting</b>	
PA	Company has Environment Protection Policy dated 30 April 2003, which covers among others Section 3.1. It has enacted zero burning for opening of new lands and land clearing or replanting.	√
MA	Company has Environment Protection Policy dated 30 April 2003, for instance Section 3.1 issued zero burning either during land clearing or replanting. Land preparation is done mechanically. Observation results (site visit) and interview with Manager Estate BDE indicates that there was last planting in 2009 in BDE (block M59). The area was planted with palm trees and was part of activities to complete unplanted palm trees in 2008. The land clearing did not use fire, but cleared up the cogon grass ( <i>Imperata cylindrica</i> ).	√
S1		
S2		
S3		
S4		
<b>5.5.2</b>	<b>Records of implementation of zero burning policy.</b>	
PA	Report of zero burning states that it is only conducted in certain condition after getting memorandum from Head Plantation Operation in Jakarta for instance: Memorandum No. POD-UM-0010/1/2009 dated 22 January 2009 concerning Anticipation of Dry Season and Preparation for Fire Danger and Dryness Year 2009. Memorandum was issued based on information from National Oceanic Atmospheric Administration (NOAA) satellite information of Meteorology and Geophysics Agency (BMG).  Administration of reporting is arranged in SOP of Fire Handling Section IV point 5 where if there is no fire, Fire Report shall be sent to each GM Estate in approved formats (Format A dan B).	√
MA	Report of zero burning states that it is only conducted in certain condition after getting memorandum from Head Plantation Operation in Jakarta. For instance: Memorandum No. POD-UM-0010/1/2009 dated 22 January 2009 concerning Anticipation of Dry Season and Preparation for Fire Danger and Dryness Year 2009. Memorandum was issued based on information from National Oceanic Atmospheric Administration (NOAA) satellite information of Meteorology and Geophysics Agency (BMG).  Administration of reporting is arranged in SOP of Fire Handling Section IV point 5 where if there is no fire, Fire Report shall be sent to each GM Estate in approved formats (Format A and B). It is informed that there has never been fire case in the past 5 years except in October 2009 in BDE in planting year 2007. It was caused by land clearing with fire. The area is next to the land opened by community. The fire burned around 20 ha and managed to be handled. For prevention (during dry season) socialization to the community is conducted. For instance: one must report if he wants to clear the land, a team for fire tower must be intensified, preparation of pump tank and fire extinguishers. There was a memorandum to anticipate land burning from GM and Head Plantation Operation (remainder). The latest was 19 May 2010.	√
S1		
S2		
S3		
S4		

<b>5.5.3</b>	<b>Procedures and records of emergency responses to land burning.</b>	
PA	Procedure for emergency response to land burning is available in the form of SOP of Fire Handling (RSPO/B.5.2/KLR) date 04 March 2009.	√
MA	There is a SOP of fire handling (RSPO/B.5.2/KLR) and signed by all estates and mills and it has been distributed. There are notes or monthly reports for fire fighting inventory and its status. The last one was in September 2010. The notes are available for all estates. KLR has SOP of fire handling for every estate and according to KLR SOP training and simulation of fire must be conducted. The last one was in July 2010. (Documented with BA simultaneously with TSA. List attendance list is available. Mill was also involved in the practice.	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>5.5.1</b>	<b>Presence of appropriate fire extinguishers and facilities, depending on the risks assessment.</b>	
PA	Company has Inventory list of Fire equipment which indicates number and their conditions as they are available in every estate. Among others are: buckets and water trailer tanks for 4 units; truck, pick up, tractor, hoe and cleaver.	√
MA	Same as the pre-assessment; There is an inventory of fire equipment and monitored monthly in the form of monthly report for each estate and mill. For instance: water trailer tanks, truck, pick-up, tractor, hoe and cleaver. Based on site visit, inventory list of fire fighters equipment can be listed which includes number of project's red helmets, spraying machine, spiral hose, fork pipe, smoke glasses, and masker	√
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>Major</b>		
<b>5.6.1</b>	<b>Evidence of identification of pollution and emissions sources at mills.</b>	
PA	Identification of pollution and emission sources to be monitored and measured has been approved.	√
MA	Identification of pollution and emission sources to be monitored and measured has been approved See indicator major 5.3.1 - waste sources in mill and plantation activities have been identified. For instance: lubricating oil from estate to mill, waste liquid POME, spray waste and fertilizer effects to pollution in Kalali River (SIE plantation, SME and Mill), and Manggis River (from activities in BDE, KKE), boiler with air pollution measurement, water contamination affects people's dug well.	√
S1		
S2		
S3		
S4		



<b>5.6.2</b>	<b>Monitoring of pollution and quality of the sources identified.</b>	
PA	Monitoring and measurement of environment parameter in accordance with approved period by KLR. Air emission, liquid waste, and quality of river water/ground water are measured.	√
MA	Monitoring and measurement of air emission and pollution source have been conducted See indicator major 5.3.2 above - They include waste water for land application, river water (Kalali River), measured boiler, generator, B3 waste and monitoring well.	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>5.6.1</b>	<b>Records of efforts strategies employed to reduce pollution and emissions.</b>	
PA	Measurement of environment parameter complies with approved period by KLR. They are air emission, liquid waste, and quality of river water/ground water; however, conformance with approved quality standard by comparing them with quality standard has not been fully evaluated. <b>Non conformance in this indicator is NC-2010.25.</b>	X
MA	Evaluation of environment parameter - Measurement of environment parameter complies with approved period by KLR. They are air emission, liquid waste, and quality of river water/ground water; however, conformance with approved quality standard has not been fully evaluated. For instance; quality of well, river water, etc.  <b>Based on the description above, NC-2010.25 is declared open category minor.</b>	√
S1		
S2		
S3		
S4		
<b>5.6.2</b>	<b>Records of identification, monitoring, and treatment methodology for POME.</b>	
PA	POME is implemented and its results are monitored periodically. Measurement result still indicates conformance with approved BOD or land application permit.	√
MA	POME management is conducted by monitoring and measuring periodically quality of liquid waste in the last pool to be channelled to land application of plantation area. Measurement and monitoring are conducted by third party (SUCOFINDO) every month and compared to standard in land application permit, example; measurement and monitoring result by third party in August 2010.	√
S1		
S2		
S3		
S4		

PRINCIPLE #6 RESPONSIBLE CONSIDERATIONS OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES AFFECTED BY GROWERS AND MILLS.		
6.1	<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 continuous improvement.</b>	
<b>Major</b>		
6.1.1	<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	<p>There is an ANDAL document year 1996 which covers estates and mill in Kotawaringin Timur Regency, Central Kalimantan province under the name of PT Kridatama Lancar and PT Teguh Sempurna. Sub Chapter 6.2 Socio-economic and cultural (16 pages), has covered explanation about positive social impacts for local community as is caused by effects of plantation activities. The report has covered explanation on positive social impacts for local community, caused by the presence of plantation, such as (1) increasing job opportunities (2) marketing farm products; (3) increasing level of income; (4) providing Public Health facilities 5) and improving education facilities. While negative impact that may appear is people's unrest due to the increase of new comers.</p> <p>However, company has not been able to show approval evidence based on applicable regulations.</p> <p><b>Non conformance to this indicator are NC-2010.20 and CFA-2010.26</b></p>	X
MA	<p>RKL and RPL documents are under revision. DELH will be prepared (date 3 September 2010), letter of statement will be from KLH. Internal progress can be presented by KLR for RKL/RPL revision prepared by PSD department in the form of Verification application of ANDAL and RKL/RPL documents to BLH. Central Kalimantan Province (letter in June 2010), KLR then has a plan for completing ANDAL documents prepared as follows:</p> <ol style="list-style-type: none"> <li>Response to verification request to BLH Central Kalimantan Province for ANDAL document compilation (August 2010),</li> <li>Appointing consultation (October 2010),</li> <li>Submission of tender prepared (November 2010),</li> <li>Implementation of compilation consultation (December 2010 - March 2011),</li> <li>Presentation (April 2011) and approval (June 2011)</li> </ol> <p>While waiting for revision process, KLR completes RKL/RPL document reporting and uses list of questions involving community. The list includes profession, water consumption, take-home pay, cultural, water source, and Air pollution.</p> <p>Report of observation for request in ANDAL document is reported in RKL and RPL report. However, the report needs to specify the social impacts. For instance: improved professions, water consumption, take home pay, etc (see indicator major 5.1.1 above)</p> <p><b>Based on the description above, CFA-2010.26 is declared closed; however, NC-2010.20 is considered as open category minor.</b></p>	X
S1		
S2		
S3		
S4		
<b>Minor</b>		
6.1.1	<b>Regular monitoring and management of social impact, with the participation of local communities.</b>	
PA	<p>Company has prepared RKL and RPL document covering reserved area of 17,500 ha, plantation area of 15,500 ha, and Mill with a capacity of 40 tons FFB/hr and has been approved by Ministry of Agriculture No. 35/ANDAL/RKL-RPL/BAK/X/1998 dated 9 October 1998 and inside it a matrix of social impact management and monitoring plan. However, there is inadequate</p>	X

	Evidence that the document preparation has encouraged community's participation periodically; result of identification of positive or negative effects has not been measured, and not specifically detailed villages and/or community affected. <b>Non conformance to this indicator is NC-2010.27.</b>	
MA	There is evidence in the process of preparing RKL/RPL documents that the list of questions includes people's participation (Data of July 2010). List of questions include: profession, water consumption, take-home pay, socio-cultural, water sources and air pollution. <b>Based on the description above, NC-2010.27 is declared closed.</b>	√
S1		
S2		
S3		
S4		
<b>6.1.2</b>	<b>Results of revisions to the environmental management document that encompasses social impact assessments in the event there are changes to company's operational scope, in accordance with existing regulations.</b>	
PA	Since its approval in 1996, ANDAL of PT KLR has never been revised. <b>See indicator minor 6.1.1</b>	X
MA	In the revision process - see above- it is advised to conduct monitoring of planning and progress – See indicator major 6.1.1. <b>Based on the description above, NC-2010.27 is declared closed.</b>	√
S1		
S2		
S3		
S4		
<b>6.1.3</b>	<b>A regular and scheduled environmental management and monitoring report.</b>	
PA	Record of RKL and RPL implementation is available until period II 2009 (July - December 2009). Period I 2009 (January - June 2009) has been submitted to Regent of Kotawaringin Timur dated 10/3/2010 (accepted by Umi Alfiah) and Government of Central Kalimantan Province dated 12 March 2010. Based on e-mail dated 20 March 2010 from Sime Darby Plantation, Report of period II 2009 is still in the process of internal verification (has not been submitted to related institution) due to several measurement of environment elements for POM (noise, ambient air, and chimney) In relation to expansion of local government (regency), company has not submitted report to institution in Seruyan Regency. <b>Non conformance in this indicator is CFA-2010.28.</b>	X
MA	KLR can present report of RKL/RPL semester I 2009 document (reported on 10 March 2010 for Kotawaringin timur Regency and Seruyan Regency) and semester II -2009 (reported in April 2010 for kotawaringin timur and August 2010 for Seruyan Regency). RKL/RPL report year 2010 is still in progress and revised to be reported to related institutions. <b>Based on the description above, CFA-2010.28 is declared closed.</b>	√
S1		
S2		
S3		
S4		
<b>6.1.4</b>	<b>Particular attention paid to the impacts of outgrower schemes (where the plantation includes such a scheme).</b>	
PA	N/A. KRL Plantation does not have this scheme.	
MA	N/A	

S1		
S2		
S3		
S4		
<b>6.2</b>	<b>There are open and transparent methods for communication between growers and or millers, local communities and other affected or interested parties.</b>	
<b>Major</b>		
<b>6.2.1</b>	<b>Documented procedures and records of communication and consultation with the communities.</b>	
PA	See criteria 1.1 above.	√
MA	There is a SOP of request for information (RSPO/B.4.7/KLR) to responses request of information from various parties. Process of consultation and communication which is open to all parties has not been accommodated; it is only in the form of information requested by other party. For instance: suggestion or request from stakeholders which needs to be socialized. It is recommended to review procedure of request for information (RSPO/B.4.7/KLR) which considers open and transparent method for communication and consultation for all parties. <b>Non Conformance in this indicator is CFA-2010.46.</b>	X
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.2.1</b>	<b>Maintenance of a list of stakeholder</b>	
PA	List of Stakeholders is available and includes 3 (three) business partners, 6 (six) Community Leaders, 6 (six) Districts and villages leaders, 9 (nine) Regency institution leaders, 10 (ten) institution leaders at Provincial level, 7 (seven) institutions level in Central Government, and 7 (seven) local suppliers/contractors. Data are recorded in soft files.	√
MA	There is a list of stakeholders updated for process of consultation and communication activities and requests of information from various parties (institutions, community leaders, NGOs, community, etc)	√
S1		
S2		
S3		
S4		
<b>6.2.2</b>	<b>Records of local communities' aspiration and responses or follow up actions by companies to these requirements.</b>	
PA	See criteria 1.1.	√
MA	Documentation of public aspirations and the response to such aspirations are recorded in the information record (see 1.1). For instance, a request for assistance to build a drill well (from a public consultant), request for palm seeds (Kawan Batu village), etc. The relevant agency has stated it will make the selection before making the proposal to Unit Management. In practice the company continues to maintain communication and has build the requested drill well (SME). Other example, follow up on the request for assistance from the mosque in Pemantang village for flooring and workers. During the visit to Ayawan village (Pondok Kopi-km 33) the communities were complaining about the water quality from the well and Kalali river, and the village residents claimed that their claim has not been responded, however, the company has made the direct effort to respond and document the request.	√
S1		

S2		
S3		
S4		
<b>6.2.3</b>	<b>A dedicated person responsible for consulting and communicating with local communities.</b>	
PA	The Company has established a Plantation Service Department (PSD) tasked with public communication and consultation. The organization has appointed Toni Manurung, its staff in Sukamandang to cover the work area of PT KRL, PT TSA and ITH).	√
MA	Same as the Pre-assessment stage, the Plantation Service Department is still in charge for communicating and consulting.	√
S1		
S2		
S3		
S4		
<b>6.3</b>	<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.</b>	
<b>Major</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 Company has provided one suggestion box at the main office, however, its existence and function is widely known by the public. The mechanism for managing complaints and dispute settlement is found in the SOP on complaint management (RSPO/B.4.9/KLR), however, there is no open and accepted mechanism for dispute settlement.	X
MA	See Minor indicator 2.2.2 – The procedure for settling land claim dispute is available and contains the identification procedure and the compensation settlement (for a new land clearing). This procedure (SOP RSPO/B.4.9/KLR) contains the mechanism for complaint management or conflict settlement with regard to KLR management. However, it does not cover an open and accepted mechanism for conflict resolution, even though in practice, an open and accepted mechanism by all is already applied. The Company needs to review its procedures and to set up clear and accepted procedures by all. <b>Based on the above, then NC-2010.29 is declared as open, minor category.</b>	X
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.3.1</b>	<b>Records of handling of the complaints.</b>	
PA	No complaints/ objections were received through the provided channel. PSD has also records public complaints which were submitted orally. Most of them involving land claims.	√
MA	Records of public aspirations and the response to such aspirations are documented in the information record (see 1.1), and in land claim record.	√
S1		
S2		
S3		
S4		

<b>6.3.2</b>	<b>Procedures for the identification and calculating of fair compensation for the loss of legal or customary right of the land, with the involvement of local community representative and relevant agencies and made publicly available.</b>	
PA	It's contained the SOP for Communities Land Claim Settlement signed on October 2006 by the estate managers of Sukamandang Estate (I Wayan Sudirsa), Kawan Batu Estate (Moch. Zazali), Hatan Tiring Estate (Tri Haryono), Kuala Kuayan Estate (Andi Risman), Sapiri Estate (Dodik Prayitno), Pemantang Estate (Jhon MP Hutagalung), Baras Danum Estate (Juju Harboko), and PSD Banjarmasin (Supriadi Sihombing). The identification process covers the inventory team consisting of estate, PSD, landowners, village officials, and or local government, Research Division, and Security. Dispute will be settled in an amicable manner and by providing compensation according to land status (forest, wooded area, planted field).	√
MA	The procedure for Land Claim settlement is available which identifies and outlines the procedure for settlement or compensation process. This procedure (SOP RSPO/B.4.9/KLR) contains the mechanism for complaint management or conflict settlement with regard to KLR management, however, it does not cover an open and accepted mechanism for conflict resolution, even though in practice, an open and accepted mechanism by all is already applied. The Company needs to review its procedures and to set up clear and accepted procedures by all. (See Major indicator Major 6.3.1).	X
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 people, local communities and other stakeholder to express their views through their own representative institutions.</b>	
<b>Major</b>		
<b>6.4.1</b>	<b>Procedures for the identification, calculating and compensation for the loss of legal or customary rights of the land, with the involvement of local community representatives and relevant agencies.</b>	
PA	See Minor indicator 6.3.2 above.	√
MA	See Minor indicator 6.3.2 above - This procedure (SOP RSPO/B.4.9/KLR) contains the mechanism for complaint management or conflict settlement with regard to KLR management, however, it does not cover an open and accepted mechanism for conflict resolution, even though in practice, an open and accepted mechanism by all is already applied. The Company needs to review its procedures and to set up clear and accepted procedures by all.	X
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.4.1</b>	<b>Records of identification of people entitled to receive compensation.</b>	
PA	Records on parties receiving compensation in the form of a Matrix of Recapitulation of Scheduled Clearance containing the information on the number of recipient, number and size of the plot, compensation cost according to land classification and signatures of the recipients. Judging from stage 10's Matrix of Recapitulation of Scheduled Clearance on April 10, 2008, the Company has settled 6 out of the 12 cases of land claims under the name of: Sukran (6 ha), Samson (2.64 ha), Ruslan (3 ha), Paerando (2.04 ha), Odong (1.5 ha), and Amat (2 ha). Meanwhile, the other 6 cases are still pending, Kursal (6.26 ha), Ihat (11.46 ha), Osong (10.81	√

	ha) - Tajur Beras, Bani (5 ha), Sukur (0.5 ha) and Tatui (3 ha) - Tajur Beras.	
	Antoni Manurung, Company's PSD staff explained the 6 cases are pending because the involved parties unilaterally cancelled the previously agreed deals with the Company.	
MA	Records of public negotiation and compensation awarded to the communities are available, for instance, Osong (10.81 ha) has received compensation for 0.3 of the 10.81 ha claimed in 2009, and 5 cases of compensation under the name of: Kursal (6.26 ha), Ihat (11.46 ha), Bani (5 ha), Sukur (0.5 ha) and Tatui (3 ha) are still on hold. These are the same cases found during the pre assessment stage. Documentation on the identification of the parties who will be receiving is done according to the SOP (draft) on the procedure on land claim management.	√
S1		
S2		
S3		
S4		
<b>6.4.2</b>	<b>Records of negotiations processes and or the details of compensation settlements.</b>	
PA	KLR managed to show records of the negotiation process including: (1) Result of data collection and identification of public land claim, for instance the claim on community's land at Kawan Batu, Pemantang and Sapiri Village from 6 to 7 March 2006. The identification was done by a combined team of local government officials from the sub district of Mentaya Hulu, Village Head of Sapiri, Head of Pantap, Head of Tajur Baras, and community leaders from Tanjung Baras (2) result of data collection and identification by the local government of Kuala Kuayan sub-district on March 9, 2006, (23) List of names and claimed land, (4) a recapitulation oh cleared land.	√
MA	<b>See Minor 6.4.1 above</b> Records of negotiation agreement on compensation are available.	√
S1		
S2		
S3		
S4		
<b>6.4.3</b>	<b>Records of the implementation of compensation payment.</b>	
PA	Payment compensation is documented in the Matrix of Recapitulation of Scheduled Clearance, for example Recapitulation of stage 10 Land Clearing in April 2008.	√
MA	Payment compensation is documented in the Matrix of Recapitulation of Scheduled Clearance, for example Recapitulation of stage 10 Land Clearing in April 2008.	√
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>Major</b>		
<b>6.5.1</b>	<b>Documentation of employees' pay rates.</b>	
	Lists of Pay rates (V648-KLR) and benefits, which show the amount of wages, received by the employees including bonuses, overtime and benefit. For example, as of February 2010, workers' wages at Sukamandang Estate have met the Governor's Decision No.32 dated November 19, 2009 on the Regency's Minimum Wage (UMK) and the 2010 Sectors' Minimum Wage for the Regency of Kotawaringin Timur.	√

PA	<p>Minamas Plantation human and resource department Management had issued a Memorandum 020/HRM-i3/I/2010, dated January 11, 2010 on the 2010 SKU Daily Wage &amp; SKU Monthly Wage Structure, wherein the minimum wage for palm oil plantation and POM is Rp. 1,058,838 per month; absence without leave means a deduction by Rp. 42,354 per day. The monthly SKU is commensurate to the level (1 to 8), wherein the minimum wage of level 1 is Rp. 1,086,356 and level 8 is Rp. 1,117,656.</p> <p>The Company is paying its workers in accordance with the prevailing laws, for example, wage for February 2010 (signed by the related parties) to:</p> <ol style="list-style-type: none"> <li>1. Adityo Nugroho (Office Boy), wage received Rp. 1,016,484</li> <li>2. Jumadi (Security), absent 1 day on February 6, 2010, wage received Rp. 1,058,838</li> <li>3. Musban Libina (Dump truck driver), absent 1 day on February 22, 2010, wage received Rp. 1,016,484</li> </ol>	
MA	<p>List of pay rates that show the amount of wage, bonuses for the holiday, rice and other received benefits. Example, as of July 2010, the workers' wages at Sukamandang Estate are in compliance with the provisions No. 32 of 2009 on the Regency's Sector Minimum Wage (UMSK) and the Regency Minimum Wage (UMK) for agriculture and plantation that is Rp. 1,058,838. To that effect, the HR Manager at Minamas Plantation has issued had issued a Memorandum No. 020/HRM-i3/I/2010, dated January 11, 2010 on the 2010 SKU Daily Wage &amp; SKU Monthly Wage Structure, wherein the minimum wage for palm oil plantation and POM is Rp. 1,058,838 per month</p> <p>Examples of daily wage for a worker in July 2010: Dewi Puspa Arifin (warehouse clerk), 2 days absent, wage received Rp. 999,448 Example of monthly wage in July 2010: Maksum Azis (School Principal) wage received Rp. 1,154,958 Jasman (Supervisor I Sukamandang Division I ), level 1E, wage received Rp. 1,178,256</p> <p>The Company is Adjusting its workers' wages every year based on the result of the workers' performance of evaluation.</p> <p>Field observation and interview with Sprayer Supervisor in Baras Danum Estate revealed that a supervisor is paid Rp. 1,100,000 a month not including rice to the amount of 15 kg per person or an assumption of Rp. 150,000 per month in a household or in compliance to the provisions on Minimum Wage for Central Kalimantan which is Rp. 1.058.838 per person. A single member of a sprayer team is paid Rp. 32,000 per day not including 30 kg per person or an assumption of Rp. 300,000 per person or in compliance to the Regional Minimum Wage for Central Kalimantan.</p>	√
S1		
S2		
S3		
S4		
<b>6.5.2</b>	<b>A company working regulations and work contracts, in accordance with existing regulations.</b>	
PA	<p>Available, the Company's Regulation, which has been, validated the Head of Man Power and Transmigration Agency of the Central Kalimantan Province numbered Kep.3840/HI.01/XII/2009 dated 1 October 2009 and valid for 2 (two) years.</p> <p>The work contracts (PKB) 2010-2012 document is still being processed in Jakarta.</p>	√
MA	<p>The PKB 2010-2012 document is still being processed in Jakarta. The work agreement meeting for the period of 2010 -2012 was held in Bogor and it was attend by representatives of the workers union and the management.</p>	√
S1		
S2		



S3		
S4		
<b>Minor</b>		
<b>6.5.1</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	The Company is providing facilities for its workers including housing, education facilities (3 pre-schools, 3 elementary schools, 1 secondary school and 1 senior high school for TSA and KRL); medical facilities (a Central Clinic, 1 unit each in KRL and STA and 1 in each estate); source of clean water, well, in each division).	√
MA	Housing facilities, schooling (pre-school, elementary and secondary schools) for PT KRL, 1 KLR Central Clinic, 1 artesian well for the communities, school bus and 11 drilled well as sources for clean water.	√
S1		
S2		
S3		
S4		
<b>6.5.2</b>	<b>Agreements entered into with contractors are to specify that contractors abide by labor laws.</b>	
PA	There are Contractor for the construction of seal pit, road pavement, bridge construction and harvest road construction.  CV Raja Putra Utama was awarded the job to build bridge at the Base Camp in Sukamandang Estate, Division I (Block N 29/30) as shown by the work order No. SME/SPK-LKL/III/2009/016, dated March 1, 2009.  Article 5 on Work Risk/ Insurance does not specify that the contractor to comply with prevailing regulations on employment. <b>Non conformance in this indicator is CFA-2010.30</b>	X
MA	The following agreements have been revised: Leas Agreement No. SPK/SME-LKL/IV/2010/030-SWEB dated April 20, 2010 on the lease of heavy equipment. Work Agreement No. SME/SPK-LKL/IV/2010/031/JMBTN dated May 26, 2010 on the construction of 4 meter width concrete bridge. Must show compliance with the prevailing rules in employment <b>Based on the description above, CFA-2010.30 is declared 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>Major</b>		
<b>6.6.1</b>	<b>Documented company policy recognizing freedom of association</b>	
PA	Article 7 paragraph 1.1 of the Work Agreement states that the Union is accepting every worker who wishes to be a member.	√

MA	Article 7 paragraph 1.1 of the Work Agreement states that the Union is accepting every worker who wishes to be a member. The PKB 2010-2012 document is still being processed in Jakarta.	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.6.1</b>	<b>Documented minutes of meeting with any labor union (if any).</b>	
PA	Records of the meeting to formulate the 2010-2012 Work Agreement. Meeting was held from Wednesday to Friday, 10-12 March 2010 at Novotel Hotel in Bogor. The meeting was attended by Juarsa Siagian (Head of the Federation of Minamas Workers Union throughout Indonesia) and Eka Librianie (from Kalimantan Representation Office) and 8 company representatives including Agus Lamarauna (General Manager of Kalimantan Estate) and Nata Singh Gurdev Singh (General Manager for Central Kalimantan).	√
MA	Document on the validation of the 2010-2012 Minamas Work Agreement and the Extraordinary Convention (MUBESLUB) of Federation of Minamas Plantation Workers Union was held from 4 to 5 August 2010 at Minamas Head Office in Jakarta and Hotel Atlet Century Park Jakarta, List of invitations available.	√
S1		
S2		
S3		
S4		
<b>6.7</b>	<b>Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes. Children are not exposed to hazardous working conditions.</b>	
<b>Major</b>		
<b>6.7.1</b>	<b>Documented company policy on works age requirement, in accordance with national laws.</b>	
PA	in paragraph 1.2.2 Article 15 of the Work Agreement	√
MA	In paragraph 1.2.2 Article 15 of the Work Agreement. SKU's Work Agreement also contains a clause that states that the Company shall not employ anybody less than 18 years of age.	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.7.1</b>	<b>Records of implementation of company policy on worker age requirements.</b>	
PA	Soft copy documentation on workers database revealed that all workers are more than 18 years of age. According to the database, the youngest worker is Mubin (born in December 1991) started working in 2009 and Herry Wiyandoko born in May 1990 and entered the Company in 2009.	√

MA	The 2010-2011 data of workers in PT KLR, Sukamandang Estate, revealed that the company is in compliance of laws 13 on Employment that prohibits the employment of anybody less than the age of 18 years old. From the data, we can gather that the youngest employee is Luki, a computer operator, born December 18, 1991, entered the Company in 2010 and Mubin, harvesting staff, born on December 11, 1991 entered the Company June 1, 2009. The Company also put a sign-board which prohibits for workers less than 18 years age to go to the field.	√
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>Major</b>		
<b>6.8.1</b>	<b>A documented company policy on sexual harassment and violence.</b>	
PA	The Company has not considered the elimination of nationality-based discrimination. This was apparent in paragraph 1.2.1 Article 16 of the 2007-2009 Work Agreement that states that would be workers must be "Citizen of Indonesia". <b>Non conformance in this indicator is CFA-2010.31</b>	X
MA	The Company is maintaining a policy that provides equal treatment without regard to any special preference as revealed in the Guidelines in page 13 of the Sustainable Plantation Management No. Policy 724/TQEM-SPMS/09. <b>Based on the description above, then the CFA-2010.31 is declared closed.</b>	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.8.1</b>	<b>Evidence of equal treatment in working opportunities for workers.</b>	
PA	Workers' database and the Company's organization chart revealed that everybody has an equal opportunity in work, the company is hiring and providing employment opportunity based upon one's performance.	√
MA	The Company hires and provides equal employment opportunity to every worker based on performances.	√
S1		
S2		
S3		
S4		
<b>6.9</b>	<b>A 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>Major</b>		
<b>6.9.1</b>	<b>A documented company policy on sexual harassment and violence.</b>	
PA	On PKB 2007-2009 Work Agreement Article 30 on Sanctions, paragraph 2.4.4 states that Stage IV Violation will be given the Third and Final Letter of Reprimand if one is: <u>e</u> conducting an indecent act or gambling in work area; <u>f</u> assault and oppression, making a threat or intimidation to another worker or staff in the work area.	√

MA	Company's Regulation of PT KLR which was validated by the Head of Central Kalimantan Man Power and Transmigration Agency on December 2, 2009 states any worker caught committing indecent act or gambling in the work place shall be terminated. Point 4 of the Guidelines on Sustainable Plantation Management Number Policy: 724/TQEM-SPMS/09 states that the Company developed and implemented the policy to protect women worker from sexual harassment and violence.	√
S1		
S2		
S3		
S4		
<b>6.9.2</b>	<b>A documented company policy on the protection of reproductive rights.</b>	
PA	Article 33 of the PKB 2007-2009 Work Agreement on Maternity Leaves and Abortive Pregnancy: women workers have the rights to take maternity leaves with full pay starting from 1.5 months before and 1.5 months after giving birth. Paragraph 1.6 of Article 34, women workers has the rights to take sick leaves for 2 days with full pay during their period.	√
MA	Point 4 of the Guidelines on Sustainable Plantation Management Policy 724/TQEM-SPMS/09 states that the Company is developing and implementing the policy to protect women's reproductive rights.	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.9.1</b>	<b>Proof of implementation of sexual harassment policy.</b>	
PA	Written evidence is unavailable; however the Organization has made several appeals during religious meetings and encouraging proper dress codes especially for women workers.	√
MA	The Company has made the effort to prevent sexual harassment by establishing 'company's commission on gender', to serve as a forum for women workers to express their aspirations. The gender Commission is chaired by Mrs. Yasinta Nata and Mrs. Emi Jati Sara as Secretary. The Commission has a work program consisting of short-term meetings every three months.  Documentation is available on the implementation of the policy to prevent sexual harassment by dispatching the Chair and Secretary to attend the training and socialization of the 'Laws on Employment and Protection of Mother and Child' held in Hotel Permata Indah and organized with cooperation of the Department of Man Power and Transmigration of the Regency of Kotawaringin Timur.	√
S1		
S2		
S3		
S4		
<b>6.9.2</b>	<b>Proof of implementation of reproductive rights policy.</b>	

PA	Monitoring of employees taking maternity leaves. Example; (1) Nur Alyah took the leaves from March 23, 2010 to June 19, 2010. (2) Tukini (CE's Auxiliary Staff) took the leaves from January 12, 2009 to April 12, 2009 with full pay in accordance with the prevailing regulations, there is proof that these workers received a full pay during their leaves, for instance in January 2009, she received Rp 804,150 (Main Payroll List 2009).	√
MA	Monitoring of maternity leaves and period leaves. For example; (1) Karyatim (harvest worker) was given period leaves from 21-22 July 2010; Sunarsih (harvest worker) was given period leaves from 8-9 July 2010; (3) Marsih, was given period leaves from 24-25 July 2010. All of them receive their full salary of Rp. 1,058,838 (Main Payroll List 2010).	√
S1		
S2		
S3		
S4		
<b>6.9.3</b>	<b>Specific grievance mechanism is available.</b>	
PA	Written procedure is not available; however, the organization has made the arrangement so every worker can submit the complaints to their direct superior.	√
MA	The Organization has a mechanism for submitting complaint directly through one's superior or the gender commission.	√
S1		
S2		
S3		
S4		
<b>6.10</b>	<b>Growers and mills deal fairly and transparently with smallholder and other local businesses.</b>	
<b>Major</b>		
<b>6.10.1</b>	<b>Current and past prices paid for FFB shall be publicly available.</b>	
PA	<b>N/A.</b> KRL shall not accept or purchase FFB except those harvested in KRL areas.	
MA	<b>N/A.</b> KRL shall not accept or purchase FFB except those harvested in KRL areas.	
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	<b>N/A.</b>	
MA	<b>N/A.</b>	
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>6.10.1</b>	<b>Evidence shall be available that all parties understand the contractual agreements they enter into, and the contracts are fair, legal and transparent.</b>	
PA	<b>N/A.</b>	
MA	<b>N/A.</b>	
S1		
S2		

S3		
S4		
<b>6.10.2</b>	<b>Agreed payments shall be made in a timely manner.</b>	
PA	N/A.	
MA	N/A.	
S1		
S2		
S3		
S4		
<b>6.11</b>	<b>Growers and millers contribute to local sustainable development wherever appropriate.</b>	
<b>Minor</b>		
<b>6.11.1</b>	<b>Records of company contributions to the local development.</b>	
PA	<p>Documentation on PT KLR CSR (Corporate Social Responsibility) activities between the year 2008 to 2009 for material assistance to the mosque in Sukamandang village (proof of receipt dated February 2009—signed by Sukarno, member of the developing committee), in addition to providing free education for 121 students from the communities around the plantation (16 pre school students, 81 elementary school students and 24 junior high school students)</p> <p>Free medical assistance for the village residents who went to the clinic. Furthermore, the Company has provided 16 cows. For Seruyan Tengah village (6), and 10 cows for Mentaya Hulu village.</p> <p><b>Non conformance in this indicator is CFA-2010.32.</b></p>	<b>X</b>
MA	<p>Documentation on the realization the Company's CSR (Corporate Social Responsibility) for the last 3 years, the record includes all the assistance to the villages around the plantation, namely Sukamandang and Ayawan village.</p> <p>The amount of this assistance is as follows:          -In 2007-2008, it was Rp. 15,356,250; in the form of 2 cows (Rp.14, 606, 250,-) and constructing the village's mosque.          -In 2008-2009 it was Rp. 16,875,834; assistance during the election of the village head (Rp. 250.000,-), mass tiwah ceremony (Rp. 1,000,000 -), sacrificial cows (Rp.14,837,500,-), and constructing a security post (Rp. 788,334;).          -In 2009-2010 it was Rp. 18,479,168- ; in the form of cash assistance for village security (Rp.100,000,-); sarongs for security staff (Rp. 1,800,000,-); sacrificial cows (Rp.15,837,500,-); and other cash assistance (Rp.741,666,-).</p> <p>During public consultation in Sampit regency, a number of parties criticized the type of assistance provided by the Company since these assistance did not bring any benefit to empower the community or local development because these assistance were based on an identification of the community's needs.</p> <p>The Company is urged to formulate a Corporate Social Responsibility plan that is connected to the local development and is based on the community's basic needs hence with a clear program.</p> <p>Based on the description above, then <b>CFA-2010.32 is declared closed and CFA-2010.47 is issued.</b></p>	<b>X</b>
S1		
S2		
S3		
S4		

<b>PRINCIPLE #7 RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS.</b>		
<b>7.1</b>	<b>A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</b>	
<b>Major</b>		
<b>7.1.1</b>	<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	There are environmental documents include the RKL and RPL documents covering the area described in the HGU. Meanwhile, the available document on ANDAL (1996) document for Kotawaringin Timur regency, Central Kalimantan which covers KLR and TSA.	√
MA	<p>The Company has in its possession ANDAL document for 1996 for PT KLR (15,500 hectares) and PT TSA (16,000 hectares). The Company also has a Development Plan for POM No. 35/ANDAL/RKL-RPL/BA/X/1998 dated 9 October 1998 with a capacity of 40 ton/ hours which has been approved by the Minister of Agriculture – Head of Agribusiness Agency. The said document covers 3,016 hectares new planting area for 2005-2009 within the work area of PT KLR. Based on the Report of the Grower Unit in August 2010, the spread of new planting in 2005-2009 is as follows:</p> <p>2005 : SIE (787 ha), KKE (363 ha), BDE (294 ha);  2006 : SIE (192 ha), KKE (190 ha), BDE (1.353 ha);  2007 : BDE (829 ha);  2008 : BDE (427 ha);  2009: BDE (25 ha).</p> <p>The Company is preparing the Document on Environmental Evaluation (DELH) in accordance with the Regulation of the Minister of Environment B-6736/Dep.I/ LH/09/2010.</p>	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>7.1.1</b>	<b>Appropriate management plan and operational procedure</b>	
PA	See Major indicator 7.1.1 above.	√
MA	Management plan and operating procedure (RKL/RKP) is available on location which covers the new planting area for 2005-2009. The realization report for RKL/RPL for the first semester (January-June 2010) is still in draft form.	√
S1		
S2		
S3		
S4		

7.1.2	Where there are schemed smallholders, records of development program for smallholders are kept, in accordance with the scheme and relevant laws.	
PA	N/A. Plasma is not available	
MA	N/A.	
S1		
S2		
S3		
S4		
7.2	Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.	
<b>Major</b>		
7.2.1	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.	
PA	See Minor indicator 4.2.1 – soil survey on land appropriateness has been done (July 2009).	√
MA	The entire new planting area (2005-2009) within KLR work area is not a new developed area; it is part of the HGU No.11 of 1999 which covers an area of 14,779.92 hectares. Therefore, information concerning land appropriateness including topography, climate, soil type, soil fertility, ground water depth and drainage has been taken into account in the Feasibility Study and the ANDAL document which has been approved by the Minister of Agriculture – Head of Agribusiness Agency with a document 35/ANDAL/RKL-RPL/BA/X/1998 dated 9 October 1998.	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
7.2.1	Evidence that plantations are developed in accordance with the suitability of the land.	
PA	No development outside the HGU area with new planting since November 2007 covering 452 ha within BDE area. The area is recorded and documented.	√
MA	The annual 'Plantation Report Unit' contains the information on every aspect of company's operation including planting activities, maintenance, harvesting, and transportation of FFB in the current year. The document also describes the extent of the area based on the planting year.	√
S1		
S2		
S3		
S4		
7.3	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>Major</b>		
7.3.1	New planting within November 2005 and November 2007 must be in compliance with existing regulatory requirements that relate to social and environmental impacts management, and with the legalized land spatial planning.	



PA	Coverage of the area is in line with HGU for new planting from November 2005 to November 2007 and in accordance with the master spatial plan and principle license, including the area that has been cleared since November 2007 or new planting area for the period from 2008 to 2009.	✓
MA	Same as the condition during the pre assessment stage-KLR has in its possession HGU Certificate Number 11 of 1999 and the ANDAL document No. 35/ANDAL/RKL-RPL/BA/X/1998 dated 9 October 1998 that have been approved the Minister of Agriculture. Both documents cover the entire new planting area (2005-2009).	✓
S1		
S2		
S3		
S4		
<b>7.3.2</b>	<b>Maps showing plan and realization of land clearing in accordance with HCV identification.</b>	
PA	HCV identification for cleared area or new planting since November 2007 (or 2008-2009) reaches 452 ha, however, no evidence of HCV Identification in BDE area. <b>Non conformance for this indicator is NC-2010.33.</b>	X
MA	The Company has shown the result of HCV Identification in KLR work area including BDE (Baras Danum Estate). The total of identified HCV area within KLR area is 783.54 hectares spread over the estates as follows; KKE 88.13 ha; BDE 589.83 ha; SME 60.30 ha; and SIE 45.05 ha. Location of HCV area in Baras Danum Estate (BDE) among others in Block N-71 Simpang River (HCV 4.1 and 4.2) and Block N-56 Tajur Beras (HCV 4.4).  <b>Based on the description above, NC-2010.33 is declared closed.</b>	✓
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>Minor</b>		
<b>7.4.1</b>	<b>Maps identifying marginal and fragile soils, including excessive gradients and peat soils, should be available.</b>	
PA	<b>See Minor indicator 4.3.1 – marginal soil map in the appropriate scale is not available</b>	X
MA	Soil spread map based on its suitability is available in KLR work area with a 1: 500 scale, including the information on the existence of marginal soil, which is classified as N1 (currently unsuitable). The result of Soil Detail Survey in April 2010 and field visit to location revealed no N1 classified soil within the new planting area for 2005-2009. Field observation to Block F-34 Bukit Susu, Sapiri Estate (SIE) that is a terrain with an incline more than 30% revealed that the Company has practiced land conservation by constructing individual terracing, planting vertifer and wooded plan. However, the efforts have not been evaluated and some may not be successful. Example, none of the planted wooded plant is alive.  Based on the description above; NC-2010.08 is closed and replaced by CFA-2010.43.	X
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 impact.</b>	

PA	Within its budget, the Company has scheduled the planting on marginal area, for instance the planting of <i>Nephrolepis</i> and the application of empty fruit bunch.	√
MA	The Company retains the SOP on Manual Agronomic Practices - Oil Palm, approved on December 1, 2004 by the Group Head Plantation Indonesia, which among others set forth the procedure on Field Preparation as well as land and water Conservation, including the procedure of constructing terracing when planting on land with a certain inclination (30%). Realization of terracing construction, <i>Nephrolepis</i> planting and application of empty fruit bunch are documented in the Plantation Unit Report.	√
S1		
S2		
S3		
S4		
7.5	<b>No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</b>	
<b>Major</b>		
<b>7.5.1</b>	<b>Social and environmental impact assessment document which include analysis of both positive and negative environmental and social impacts, and made with the participation of affected parties.</b>	
PA	RKL and RPL document on social impacts for the area described in HGU.	√
MA	RKL and RPL document on social impacts for the area described in HGU. New planting activities are done after 2005 covering an area of 2,928 in BDE that complement the previous plant year. The last planting was done in 2009 in an area extending to 2.5 ha. The planting activities are documented in the document on monitoring and environmental management (RKL/RPL documents or ANDAL) and they are periodically reported to relevant institution.	√
S1		
S2		
S3		
S4		
<b>7.5.2</b>	<b>Documented socialization programs prior to new plantings.</b>	
PA	There is no new plantings plan.	√
MA	Relevant report(s) on planting activities from 2005 to 2009 are available. The report is submitted to the relevant agency (Plantation Service) and included in the document on monitoring and environmental management (RKL/RPL documents or ANDAL) which is reported periodically to the relevant agency.	√
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	No identification or evidence related to compensation for new land.	√

MA	PT KLR has provided the compensations to local land owners in relation to new planting from 2005 to 2009, this compensation have been agreed upon previously and they are well documented. The last compensation process occurred in 2008 (no more compensation for planted land) and the last plantation was done in Baras Danum Estate covering an area extending to 25 ha.	√
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>Major</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	There is no evidence that the new planting area was taken over illegally from the local communities. See Major indicator 2.3.1. <b>N/A.</b>	
MA	None of paid compensations were involving indigenous lands. <b>N/A</b>	
S1		
S2		
S3		
S4		
<b>7.6.2</b>	<b>Procedures to identify people entitled to receive compensation.</b>	
PA	The Company has the procedure in providing compensation – not applicable for new planting area.	
MA	The Company has the procedure in providing compensation – not applicable for new planting area. KLR has implemented the said procedure in the current compensation process. With regard to new planting since 2005 to 2009, the company has provided compensations to the communities; these compensations have been agreed upon previously and are well documented. The last compensation process occurred in 2008 (no more compensation for planted land) and the last plantation was done in Baras Danum Estate covering an area extending to 25 ha. <b>N/A</b>	
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>7.6.1</b>	<b>Records of negotiation process and/or compensation settlements are available.</b>	
PA	Not applicable for new planting area. <b>N/A</b>	
MA	Documentation of the negotiation process and compensation agreements are available, they are well documented. <b>N/A</b>	
S1		
S2		
S3		
S4		

<b>7.6.2</b>	<b>Documentation of calculation and payment for compensation.</b>	
PA	Not applicable for new planting area.	
MA	Documentation on the calculation and payment for compensation. Recapitulation of negotiation and compensation to the public. for example: Osong (10.81 ha) was compensated for 0.3 ha of the claimed 10.81 ha in 2009, and 5 cases are still pending as in the condition during the pre assessment stage, they are Kursal (6.26 ha), Ihat (11. 46 ha), Bani (5 ha), Sukur (0.5 ha) and Tatui (3 ha), however, no compensation is paid because there is no new planting. N/A.	
S1		
S2		
S3		
S4		
<b>7.6.3</b>	<b>Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.</b>	
PA	Not applicable for new panting area. N/A	
MA	Not applicable for plantation expansion; and the last planting activity was in 2009 for an area of 25 ha in BDE. N/A	
S1		
S2		
S3		
S4		
<b>7.6.4</b>	<b>The process and outcome of any compensation claims shall be documented and made publicly available.</b>	
PA	Not applicable for new plantation. N/A	
MA	See Minor indicator 7.6.2 above N/A	
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>Major</b>		
<b>7.7.1</b>	<b>Documented assessment where fire has been used for preparing land for planting.</b>	
PA	Not applicable if fire was used in land clearing. N/A.	
MA	Not applicable if fire was used in land clearing. N/A	
S1		
S2		
S3		
S4		
<b>7.7.2</b>	<b>Records of implementation of zero burning policy.</b>	
PA	Not applicable – as stated in the Memorandum POD UM 0010/I/2009 dated 22 January 2009 for zero burning. N/A.	

MA	Not applicable – as stated in the Memorandum POD UM 0010/I/2009 dated 22 January 2009 for zero burning. N/A.	
S1		
S2		
S3		
S4		
<b>7.7.3</b>	<b>Procedures and records of emergency responses to land burning.</b>	
PA	Emergency procedure for land burning is available (SOP-Fire Management - RSPO/B52/KLR dated March 4, 2009).	√
MA	Same as the pre assessment. Emergency procedure for land burning is available (SOP-Fire Management - RSPO/B52/KLR dated March 4, 2009).	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>7.7.1</b>	<b>Presence of appropriate fire extinguishers and facilities, depending on the fire risk.</b>	
PA	Inventory of facilities and infrastructure for fire equipments is available. See Minor indicator 5.5.1.	√
MA	See Minor indicator 5.5.1.	√
S1		
S2		
S3		
S4		
<b>PRINCIPLE #8 COMMITMENT TO CONTINUOUS IMPROVEMENT IN KEY AREAS OF ACTIVITY</b>		
<b>8.1</b>	<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>	
<b>Major</b>		
<b>8.1.1</b>	<b>A monitoring action plan based on the social environmental impact assessment, and regular evaluations of plantation and mill operations. As a minimum, these must be 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 Impact (criteria 5.1).</li> <li>- Waste reduction (criteria 5.3).</li> <li>- Pollution and emissions (criteria 5.6).</li> <li>- Social Impact (criteria 6.1).</li> </ul>	
PA	Monitoring plan based on analysis consideration of socio-environmental impact, and regular evaluation for growers' and mills activity may be reviewed in the RKL and RPL documents and the Company shall conduct relevant activities to for the sake of efficiency and minimizing waste and social impact.	√

MA	<p>Action plan done by KRL by executing actions based on environmental monitoring and inputs from the communities.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>- boiler emission – KLR plans to perform a maintenance and repair of the smoke exhaust and installing a new boiler,</li> <li>- providing and maintaining drill well to the communities around the mill in response to complaints on liquid waste, even though there is no proof that KLR (POM) was responsible,</li> <li>- plan to use natural resources such as electricity, water and fuel in an efficient manner,</li> <li>- action plan to monitor and measure the mill's waste pool by managing the flow of waste for land application.</li> </ul>	√
S1		
S2		
S3		
S4		
<b>Minor</b>		
<b>8.1.2</b>	<b>Records of follow-up actions taken against RSPO audit findings, if any.</b>	
PA	Non applicable – will be confirmed during the main assessment. N/A.	√
MA	The Company has documentation of the follow up of RSPO pre audit. The evidence showed that KLR has conducted corrective actions to address the pre assessment findings. This was shown by the closed status of 29 Non-conformance from the 33 non-conformance found during the pre assessment.	√
S1		
S2		
S3		
S4		

**Annex 2. Result of RSPO Panel Committee of Mutuagung Lestari - RSPO Certification of PT Kridatama Lancar**

28 June 2011

<b>No</b>	<b>Input and Responses</b>
<b>1</b>	<p><b>Tony Arifiarachman</b></p> <p>In general, KLR has adequate for RSPO P &amp; C implementation, but should more attention to some of the following:</p> <p>Joint venture schemes with the locals should be considered to prevent social conflict, particularly in land dispute.</p> <p>Monitoring and environmental management should be done routinely based on RKL / RPL document which has adapted to the actual of companies operational activities such as Mill capacity includes measurements of air emissions, wastewater, water quality in accordance with applicable quality standards, management of HCV, waste management.</p> <p>To ensure all staff, workers, smallholders and contractors are appropriately trained; Programs of employee and staff training owned must be adjusted with the position and competence.</p>
<b>2</b>	<p><b>Conclusions</b></p> <p>Internal Independent committee (<i>Mutuagung Lestari</i>) agreed that PT KLR is recommended to be certified producer of SPO.</p> <p>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 Stakeholders contacted in the RSPO Certification process at PT Kridatama Lancar, Seruyan, Central Kalimantan**

<b>No</b>	<b>Name of Institution</b>	<b>Name of Senior Officer</b>	<b>Address</b>	<b>Telephone/Fax/Email</b>	<b>Via</b>	<b>Date of delivery</b>
1	Director of Annual Crops Cultivation, Directorate General of Plantation, Ministry of Agriculture RI.	Ir. Mukti Sardjono M.Sc	Kantor Pusat Kementerian Pertanian. JL. Harsono RM No. 3 Gedung C Pasar Minggu Jakarta Selatan. 12550.	Telp : (021) 7815380-4, Faks : (021)7815486-7815586 Email : muktis@deptan.go.id	Mail	1-Sep-10
2	Director of Plantation Protection, Directorate General of Plantation, Ministry of Agriculture RI.	Dr. Ir. Herdradjat Natawidjaja, MSc	Kantor Pusat Kementerian Pertanian. JL. Harsono RM No. 3 Gedung C lantai IV Pasar Minggu Jakarta Selatan 12550.	Telp : (021) 781 5684 Fax : (021) 781 5684 Email : herdradjat@deptan.go.id	Mail	1-Sep-10
3	Minister of Environment, Ministry of Environment RI	Prof. Dr. Gusti Muhammad Hatta	Jl. D. I Pandjaitan Kav 24 Kebon Nanas Jakarta Timur 13410	Telp : 021-8580067-68 Email : edukom@menlh.go.id	Mail	1-Sep-10
4	Minister of Trade, Ministry of Trade RI	Dr. Mari Elka Pangestu	Jl. M. I. Ridwan Rais No. 5 Jakarta Pusat 10110	Telp : 021 - 3858171	Mail	1-Sep-10
5	Chair, Capital Investment Coordinating Board RI	Gita Wirjawan	Jl. Jendral Gatot Subroto No. 44 Jakarta 12190	Telp : 021 - 5292 1334 Fax : 021 - 5264 211 Email : info@bkpm.go.id	Mail	1-Sep-10
6	Head, National Land Board	Joyo Winoto, PhD	Jl. Sisingamangaraja No. 2 Kebayoran Baru Jakarta 12110	Telp : 021 7393939	Mail	1-Sep-10
7	Executive Director, Indonesian Palm Businessmen (GAPKI)	Joefly J. Bahroeny	Sudirman Park Rukan Blok B No. 18 Jl. KH Mas Mansyur Kav. 35 Jakarta Pusat 10220	Telp : 021 57943871 Fax : 021 57943872 Email : mfhasa1@hotmail.com	Mail	1-Sep-10
8	GAPKI branch of Central Kalimantan	Gunawan Lubis	Jl. Puloayang Raya, Blok OR No 1, Kawasan Industri Pulogadung, Jakarta Timur		Mail	1-Sep-10



9	Sawit Watch Indonesia	Norman Jiwan	Jl. Taman Sempur Kaler No.28, Bogor. Jawa Barat. 16129	Telp : 0251-8352171 Fax : 0251-8352047 Email : info@sawitwatch.or.id	Mail	1-Sep-10
10	Green Peace Indonesia	Director	Jl. Kemang Utara No. 16B Jakarta Selatan 12730	Telp : 021-7182857 Fax : 021-7182858 Email : supporterservices.id@greenpeace.org	Mail	1-Sep-10
11	WWF Indonesia	Arief T. Surowidjojo  Rosenda C. Kasih	Kantor Taman A9, Unit A-1 Jl. Mega Kuningan Lot 8-9/A9 Kawasan Mega Kuningan. Jakarta 12950	Telp : 021 576 1070 Fax : 021 576 1080 wwf-indonesia@wwf.or.id	Mail	1-Sep-10
12	Yayasan Borneo lestari Central Kalimantan	Director	Jl. Masjid No. 381 Kumai, Kalimantan Tengah 74181	Telp : (0532) 61318 Email : yayasan_borneolestari@yahoo.co.id	Mail	1-Sep-10
13	Executive Director, Wahana Lingkungan Hidup Indonesia (WALHI)	Berry Nahdian Forqan	Jl. Tegal Parang Utara No. 14 Jakarta Utara 12790	Telp : 021 7919 3363 Fax : 021 794 1673 Email : info@walhi.or.id	Mail	1-Sep-10
14	Palangkaraya University	Drs. Henry Singarasa MS	Kampus Tunjung Nyaho, Jl Yos Sudarso Palangkaraya 73112	Telp : 0536-3226878	Mail	1-Sep-10
15	Governor of Central Kalimantan	A. Teras Narang	Jl RTA Milono 1 Palangkaraya	Telp : (0536) 3231496, 3221955 Fax : (0536) 323 1422	Mail	1-Sep-10
16	Forestry and Plantation Agency, Central Kalimantan.		Jl. Jend. Sudirman No. 18 Palangkaraya 73112	Telp : (0536) 3224763	Mail	1-Sep-10
17	Manpower and Transmigration Agency, Central Kalimantan		Jl. Wiliem AS No 3 Palangkaraya	Telp : (0536) 322 4642,323 8333	Mail	1-Sep-10

18	Health Agency, Central Kalimantan		Jl. Yos Sudarso Palangkaraya	Telp : (0536) 322 1767	Mail	1-Sep-10
19	Regional Capital Investment Coordinating Board (BKPM) Central Kalimantan	Yuel. L. Renteng	Jl. Tjilik Riwut KM. 5,5 Palangkaraya 73112	Telp : (62- 0536) 323 1414, 3231474, 3231456 Fax : (62- 0536) 3231454	mail	1-Sep-10
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24	Regency Secretary Seruyan Regency	Albidin Anwar	JL. KH. Agus Salim Kuala Pembuang	Telp : (0538) 21005, 21600	mail	1-Sep-10
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27	Forestry and Plantation Agency Seruyan Regency	Maryoso	Jl. Imam Bonjol No. 55 Kuala Pembuang	Telp : (0538) 21012, 21427 Fax : (0538) 21012	Mail	1-Sep-10
28	Manpower, Transmigration and Tourism Agency, Seruyan	Mansur Ibrahim	Jl Ahmad Yani, Kuala Pembuang 74212	-	Mail	1-Sep-10

29	Environment Board Seruyan Regency	Yusuf S ; Yosep P; Kusnadi	JL. KH. Agus Salim No 1 Kuala Pembuang	Telp : (0538) 21005, 21294, 21829 Fax : (0538) 21399	mail	1-Sep-10
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32	Plantation Agency Kotawaringin Timur Regency	Ir. Jakatan	Jl. Jenderal Sudirman Km 6 Sampit	-	Mail	1-Sep-10
33	Manpower Agency Kotawaringin Timur Regency	Derline Sihite	Jl. Jenderal Sudirman Km 6 Sampit	-	mail	1-Sep-10
34	Centre for National Resources Conservation, Kotawaringin Timur Regency	M. Janang Lima	Jl. Jenderal Sudirman Km 6,7 Sampit	Telp : (0531) 31590 - 30809	mail	1-Sep-10
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37	SPSI PT Kridatama Lancar and Teguh Sampurna		The Plaza Lantai 36. Jl. MH Thamrin Kav 28-30 Jakarta 10350	Telp : 021 29922650 Fax : 021 29922686	Mail	1-Sep-10
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39	Head of Tumbang Sapiri village	Godnes Arifin	Kotawaringin timur regency	085251084978	mail to Minamas	1-Sep-10

40	Head of Buana Mustika village	Asngari	Kotawaringin timur regency	085751359506	mail to Minamas	1-Sep-10
41	Head of Baampah village	Sukarsih	Kotawaringin timur regency	085651310121	mail to Minamas	1-Sep-10
42	Head of Tanjung Bantur village	Sapran Ali	Kotawaringin timur regency	085651375152	mail to Minamas	1-Sep-10
43	Head of Kawan Batu village	Daryani	Kotawaringin timur regency	--	mail to Minamas	1-Sep-10
44	Head of Pahirangan village	Irin. D	Kotawaringin timur regency	085651355333	mail to Minamas	1-Sep-10
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47	Head of Santilik village	Syarifuddin	Kotawaringin timur regency	085752324252	mail to Minamas	1-Sep-10
48	Head of Tangkarobah village	Didi Efendi	Kotawaringin timur regency	085257397191	mail to Minamas	1-Sep-10
49	Head of Kuala Kuayan village	Muksi Jailani S.Pi.	Kotawaringin timur regency	081351917839	mail to Minamas	1-Sep-10

## Annex 4. Word Glossary

AMDAL/ANDAL	: Environmental Impact Assessment
APAR	: Lightweight fire extinguishers
BDE	: Baras Danum Estate
B3	: Hazardous Materials
BAPEDALDA	: Regional Environmental Impact Management Agency
BKPMD	: Regional Investment Coordinating Board
BLH	: Environment Agency
BLHD	: Regional Environment Agency
BOD	: Biological Oxygen Demand
BPN	: National Land Agency
BSS	: Block Spraying System
CITES	: Convention On International Trade Endanger Species
COD	: Chemical Oxygen Demand
CPO	: Crude Palm Oil
CSR/CD	: Corporate Social Responsibility (Community Development)
FFB	: Fresh Fruit Bunches
HCV	: High Conservation Value
HGU	: Land Use Permit
HIRAC	: Hazard Identification Risk Assessment Control
IPAL	: Waste Water Treatment Plant
IPM	: Integrated Pest Management
JAMSOSTEK	: Employees Social Security
KLH	: Ministry of Environmental
KLR	: Kridatama Lancar
K3	: Occupationally Health and Safety
KKE	: Kuala Kuayan Estate
LC	: Land Clearing
LD <sub>50</sub>	: Lethal Dosage (for 50% of the population to be killed)
MA	: Main Assessment
MSDS	: Material Safety Data Sheet
P2K3	: Committee of Advisor of Occupationally Health and Safety
P3K	: First Aids
PA	: Pre Assessment
Permentan	: Regulation of the Minister of Agriculture/ Minister of Agriculture rules
PKB	: Labor Agreement
PKO	: Palm Kernel Oil
PME	: Pematang Estate
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
PP	: Government Regulation
PPE	: Personal Protection Equipment
PSD	: Plantation Service Department
RKL	: Environmental Management Plan
RPL	: Environmental Monitoring Plan
SIE	: Sapiri Estate
SME	: Sukamandang Estate
S1	: 1st Surveillance
S2	: 2nd Surveillance

S3 : 3rd Surveillance  
S4 : 4th Surveillance  
Riparian : Buffer areas of the left and right river (Border Rivers)  
SOP : Standard Operating Procedure  
SPSI : Workers Union  
TSA : Teguh Sempurna  
UU : Act.