

***Sustainable Palm Oil Certification***

Stage I   
  Stage II   
  Surveillance Assessment Report

Plantation Manager/Owner : **MINAMAS Plantation – SIME DARBY Group**  
 Plantation Name : **PT PARIPURNA SWAKARSA**  
 Country : Indonesia  
 Location : Sub district of Pamukan Selatan and Pamukan Utara  
 District of Kotabaru, Province of Kalimantan Selatan

Certificate Code : MUTU-RSPO/016  
 Date of certificate issue : March 16<sup>th</sup>, 2012  
 Date of expiry of certificate : March 16<sup>th</sup>, 2017

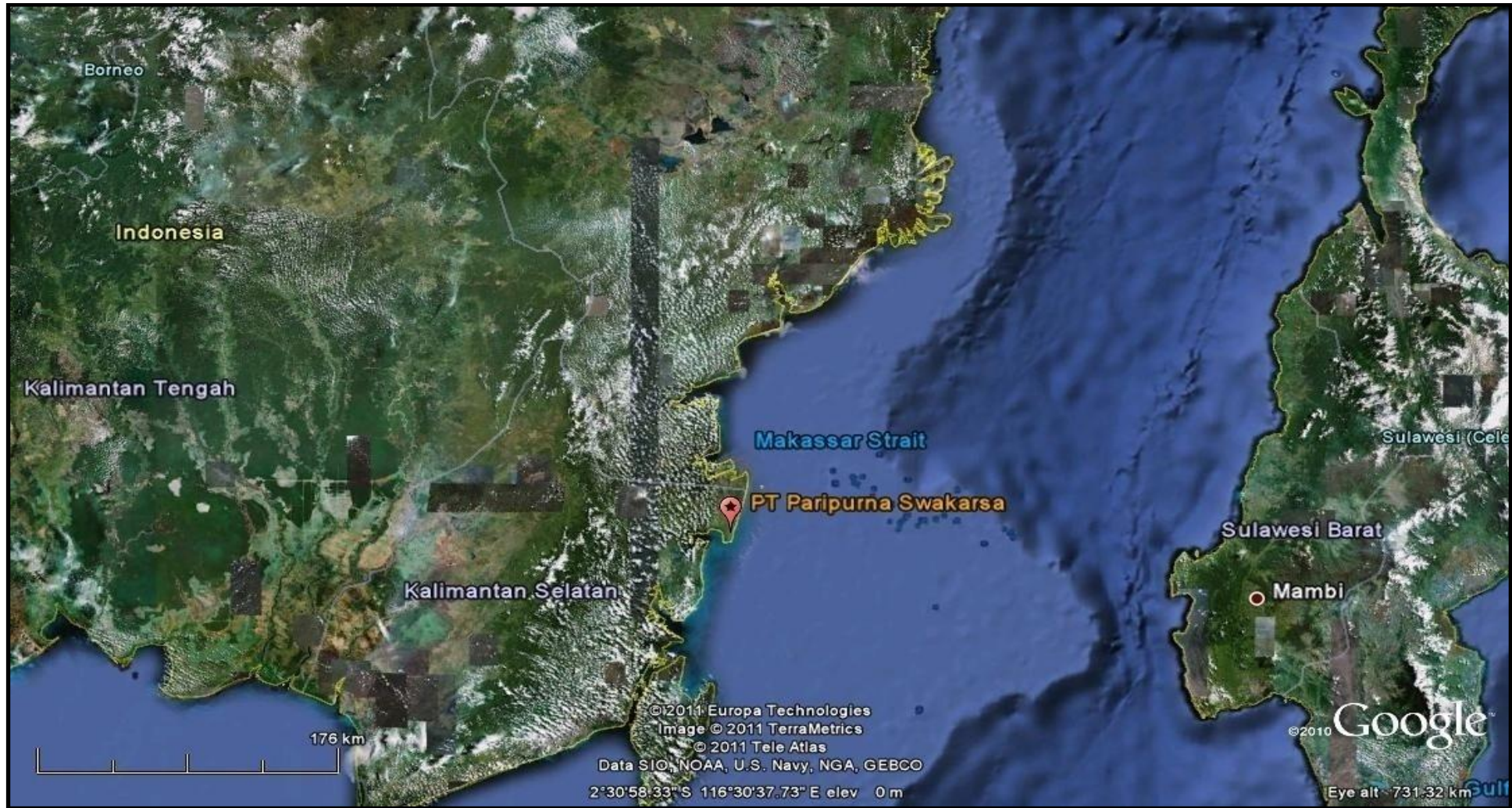
	Assessment Date	Report Finalization Date	PT Mutuagung Lestari Auditor	Checked By	Approved By
<b>ST1</b>	08-13/04/2011	11/05/2011	Deni A. Novendi; Faruk Ahmad Nasir; Oktovianus Rusmin; Marsudi Eko Santoso	Taufik Margani	Tony Arifiarachman
<b>ST2</b>	04-10/06/2011	13/07/2011	Taufik Margani; Faruk Ahmad Nasir; Oktovianus Rusmin; Marsudi Eko Santoso	Reny Rustianingsih	Tony Arifiarachman
<b>S1</b>					
<b>S2</b>					
<b>S3</b>					
<b>S4</b>					

Submitted to RSPO on:	Reviewed by RSPO on:	CB Responds on:	Approved by RSPO on:
11/08/2011	05/01/2012	17/01/2012	14/03/2012

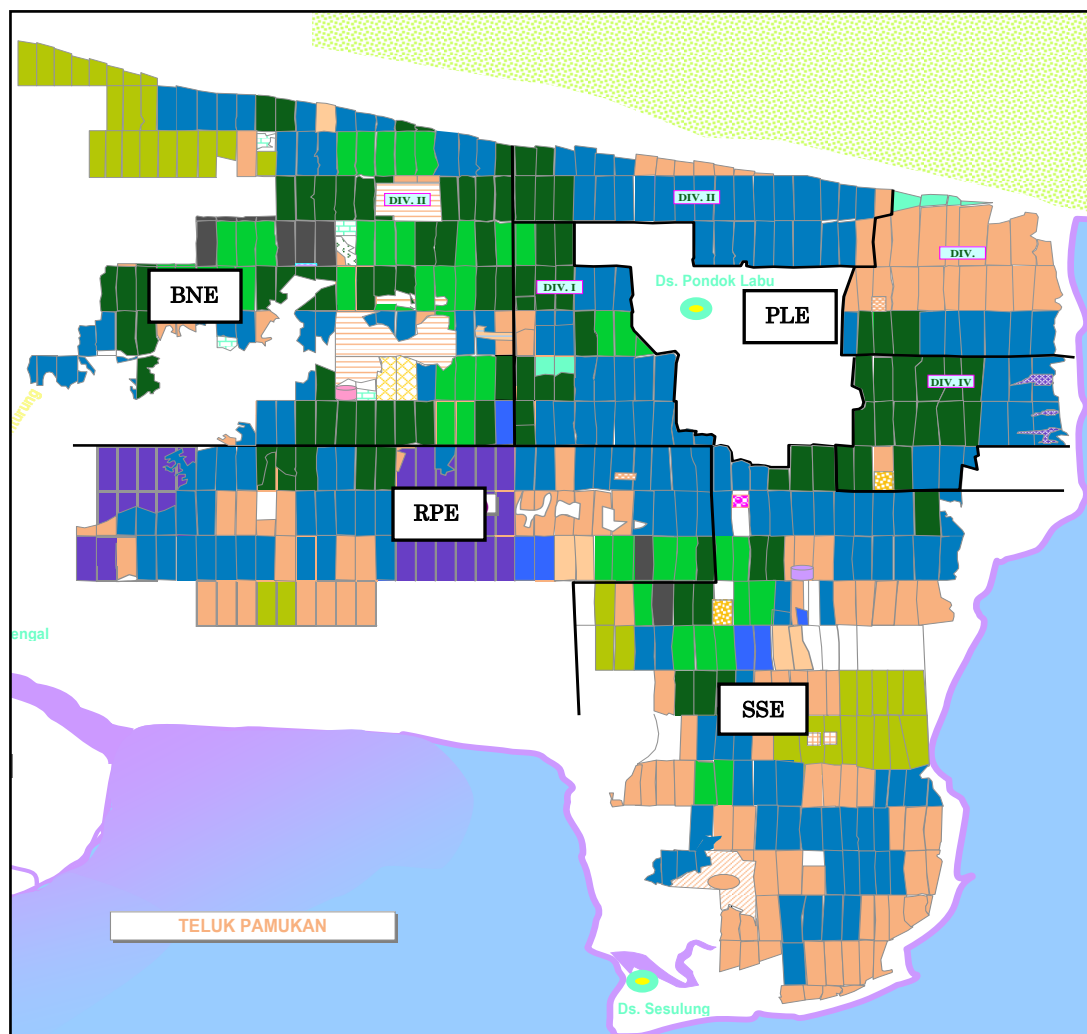
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Figure1. Location Map of PT Paripurna Swakarsa



**Figure 2. Operational Map of PT Paripurna Swakarsa**



NO	REMARK	BNE HA	PLE HA	RPE HA	SSE HA	PSA HA
<b>A. LICENSE</b>						
	Total Concession					16,406
	Total HGU					14,892
	HGU In Process					1,514
	HGB					-
	Planted Outside HGU*					
<b>B. LAND USE</b>						
1	<b>Planted</b>	3,542	3,495	3,379	4,295	14,711
	<b>Oil Palm</b>	3,542	3,495	3,379	4,295	14,711
	- Mature	3,542	3,495	2,941	4,295	14,274
	- Immature	-	-	437	-	437
	- New Planting Oil Palm	-	-	-	-	-
	<b>Rubber</b>	-	-	-	-	-
	- Mature	-	-	-	-	-
	- Immature	-	-	-	-	-
2	<b>Unplanted Developed Area</b>	218	164	50	256	688
	- Palm Oil Mill	-	-	-	55	55
	- Emplacement (Housings, Buildings)	52	52	50	74	228
	- Roads & Bridge	166	112	-	127	405
	- Canals	-	-	-	-	-
	- Others	-	-	-	-	-
3	<b>Plantable Reserves</b>	20	-	43	22	85
	- Without Encumbrances (LC)	-	-	-	-	-
	- Without Encumbrances (Reserves)	-	-	-	-	-
	- Without Encumbrances (Occupied)	20	-	23	22	65
4	<b>Unplantable Area</b>					
	<b>HCV</b>	292	14	52	36	394
5	<b>Other area used</b>			135		135

<b>1.0</b>	<b>Scope The Certification Assessment</b>					
<b>1.1</b>	<b>National Interpretation Used</b>		National Interpretation, RSPO Principles and Criteria for Sustainable Palm Oil Production, Republic of Indonesia - RSPO INA-NIWG, May 2008 and Supply Chain Requirement for CPO Mill.			
<b>1.2</b>	<b>Organizational 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 Office Tower Lt. 36 JI MH Thamrin Kav. 28-30 Jakarta 10350				
1.2.4	Telephone	+62-21-29926000				
1.2.5	Fax	+62-21-29922686				
1.2.6	E-mail	<a href="mailto:mohamad.pirabaharan@simedarby.com">mohamad.pirabaharan@simedarby.com</a>				
1.2.7	Web page address	<a href="http://www.simedarby.com">www.simedarby.com</a>				
1.2.8	Type of enterprise	Private				
1.2.9	Application information completed by duly authorized representative	Mohamad Pirabaharan (Head of PSQM Minamas Plantation)				
1.2.10	RSPO member registration	8 September 2004				
1.2.11	Number of workers - Employees		<b>2.576</b>	People		
1.2.12	Contractors/Community/other workers		<b>71</b>	People		
<b>1.3</b>	<b>Type of assessment</b>					
1.3.1	Certification scope	Palm oil Mill and Estate				
1.3.2	Type certificate	Single				
1.3.3	Names of company covered in this certificate	<b>PT Paripurna Swakarsa</b>				
1.3.4	Number of management unit	1 (one) unit of Palm Oil Mill (Pondok Labu POM) which receives FFB supply from 4 (Four) unit estates: they are, Sesulung Estate (SSE), Binturung Estate (BNE), Pondok Labu Estate (PLE), dan Rampa Estate (RPE)				
<b>1.4</b>	<b>Location, mill and hectare statements</b>					
1.4.1	Location of estate					
Name of Estate(s)	Location	GPS Coordinate		Total Area (Ha)	Planted Area (Ha)	FFB Production (tonnes/year)
		Latitude	Longitude			
Binturung Estate	Village of Binturung, Sub district of Pamukan Selatan, District of Kotabaru, Province of South Kalimantan	2° 22' 00" - 2° 32' 51" S	116° 23' 46" - 116° 28' 00" E	4,073	3,542	79,913.73
Pondok Labu Estate	Village of Pondok Labu, Subdistrict of Pamukan Selatan, District of Kotabaru, Province of South Kalimantan	2° 23' 16" - 2° 27' 37" S	116° 28' 00" - 116° 32' 35" E	3,673	3,495	99,879.22

Rampa Estate	Village of Rampak Cengal, Subdistrict of Pamukan Utara, District of Kotabaru, Province of South Kalimantan	2° 26' 54" - 2° 29' 08" S	116° 24' 15" - 116° 29' 47" E	3,658	3,379	80,836.68
Sesulung Estate	Village of Sesulung, Subdistrict of Pamukan Utara, District of Kotabaru, Province of South Kalimantan	2° 27' 00" - 2° 32' 51" S	116° 28' 34" - 116° 31' 49" E	4,608	4,295	67,892.10
<b>Total</b>				<b>16,012</b>	<b>14,711</b>	<b>328,521.73</b>

*Data sources: Actual production data period 2010/2011*

1.4.2	Mill Location					
Name of Mill	Location	GPS Coordinate	Capacity (tonnes/hour)	Annual Volume (tonnes)		
				CPO Output	PK Output	PKO Output
Pondok Labu Factory	Village of Pondok Labu, Sub district of Pamukan Selatan, District of Kotabaru, Province of South Kalimantan	2° 28' 30" S 116° 30' 20,4"E	60	71,289.21	11,498.26	-

*Data sources: Actual production data period 2010/2011*

1.4.3	Maps	<i>Figure 1 and 2</i>
1.4.4	Village/Sub district/District/Province	Sesulung Village, Binturung Village, Pondok Labu Village and Rampa Cengal Village / Sub district of South Pamukan and North Pamukan / South Kalimantan
1.4.5	Country	Indonesia
1.4.6	Region	Southeast Asia
1.4.7	Tenure	
	Private	
	State	HGU Certificate Number. 137/HGU/BPN/97 = 14.892 Ha HGU Certificate is in process, according to letter from the National Land Agency Number 0013/9-63/I/2010) = 1.119,97 Ha and remaining Hectare about 400 Ha is still on process (by Governments)
	Community	
<b>1.5</b>	<b>Description of Land Use</b>	
1.5.1	Total areal	16,012 Ha
1.5.2	Mature area	14,274.88 Ha
1.5.3	Immature area	437.91 Ha
1.5.4	Mill	55.23 Ha
1.5.5	Infrastructures area	228.26 Ha
1.5.6	Road, bridge and drainage	405 Ha
1.5.7	Other area used	135 Ha
1.5.8	Program Plan of LC (Land Clearing)	0 Ha
1.5.8	Occupied area	85 Ha
1.5.9	High Conservation Value	394 Ha

1.5.10	Product categories :	FFB/CPO/PK	
1.5.11	Annual Yield – Actual (2010)	22.7	Ha/Year
1.5.12	OER	21.70	%
1.5.13	KER	3.5	%
<b>1.6</b>	<b>Planting of Year and Cycle</b>		
1.6.1	Age profile of planted palms		
	<b>Planting area</b>	<b>Hectares</b>	<b>Age (year)</b>
	1994	277.73	17
	1995	1,068.71	16
	1996	3,008.01	15
	1997	5,258.11	14
	1998	2,452.79	13
	2000	74.88	11
	2001	27.70	10
	2002	419.65	9
	2005	701.59	6
	2006	419	5
	2007	564.51	4
	2009	177.27	3
	2008	193.64	2
	2010	67	1
	<b>Total</b>	14,711.29	
	Plants average age	12.77	
1.6.2	Area restocked by replanting after 2005	-	Ha
1.6.3	New planting area after November 2005 – extension	2,125.12	Ha
1.6.4	Harvesting Cycle	7-10	Days
<b>1.7</b>	<b>Approximate tonnage certified **</b>		
	Production recovery of FFB	23.5	%
	Production recovery of Palm Kernel	3.5	%
	FFB	274,391.85	Ton/Year
	Crude Palm Oil	64,482.08	Ton/Year
	Palm Kernel	9,603.71	Ton/Year
		**) data from Budget period 2011-2012	
<b>1.8</b>	<b>Other certifications held</b>		
1.8.1	ISO 9001:2008/ISO 14001: 2004	None	
1.8.2	OHSAS 18001:2007	None	
1.8.3	HACCP	None	
1.8.4	Others	None	

<b>1.9</b>	<b>Time Bound Plan for Other Management Units</b>			
	Time Bound Plan MINAMAS Plantation – SIME DARBY Group, status as per July 2011			
	MINAMAS Plantation – SIME DARBY Group 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.			
Certification Status	Number of Strategic Operating Units (SOUs)		Remark/Details	
	Malaysia	Indonesia		
Certified	28	8		
EB Review	11	2	The RSPO Certification will be received within one month's time.	
2008	7	0		
2009 / 2010 Audited	31	13	All Malaysian SOUs have undergone the RSPO External Audit.	
2011 Audited	1	11		
2011 Planned	0	1		
1.9.2	Time Bound Plan SIME DARBY in Indonesia, status as per July 2011			
Name Unit Management	Address	Area (Ha)	Status	Time Bound Plan
PT. Indotruba Tengah	District of Seruyan and West Kotawaringin, Province of Kalimantan Tengah	7,734.60	Certified 2010	2009
PT. Tunggal Mitra Plantations	District of Rokan Hilir, Province of Riau	13,836.00	Certified 2010	2009
PT. Sime Indo Agro	District of Sanggau, Province of Riau West Kalimantan	11,652.00	Certified 2010	2009
PT. Aneka Inti Persada	District of Pekanbaru and Siak, Province of Riau	11,134.00	EB Review	2010
PT. Bina Sains Cemerlang	District of Musi Rawas, Province of South Sumatera	6,513.00	Audited 2010	2010
PT. Kridatama Lancar	District of Seruyan and East Kotawaringin Province of Central Kalimantan	14,779.92	Certified 2011	2010
PT. Teguh Sempurna	District of Seruyan and East Kotawaringin, Province of Central Kalimantan	16,601.66	Certified 2011	2010
PT. Lahan Tani Sakti	District of Rokan Hilir, Province of Riau	3,759.02	Audited 2010	2010
PT. Bhumireksa Nusasejati	District of Indra Giri Hilir, Province of Riau	25,662.00	EB Review	2010
PT. Sajang Heulang	District of Tanah Bumbu,	7,794.00	Certified 2011	2010



	Province of South Kalimantan			
PT. Ladangrumpun Suburabadi	District of Tanah Bumbu, Province of South Kalimantan	6,077.00	Certified 2011	2010
PT. Bersama Sejahtera Sakti	District of Kotabaru, Province of South Kalimantan	12,704.54	Certified 2011	2010
PT. Bahari Gembira Ria	District of Muaro Jambi, Province of Jambi	1,202.04	Audited 2010	2010
PT. Langgeng Muaramakmur	District of Kotabaru Province of South Kalimantan	16,361.77	Audited 2010	2011
PT. Paripurna Swakarsa	District of Kotabaru, Province of South Kalimantan	14,892.00	Audited 2011	2011
PT. Swadaya Andika	District of Kotabaru , Province of South Kalimantan	10,361.18	Audited 2011	2011
PT. Laguna Mandiri	District of Kotabaru, Province of South Kalimantan	15,299.80	Certified 2011	2011
PT. Tamaco Graha Krida	District of Morowali , Province Of Central Sulawesi	4,145.00	Audited 2011	2011
PT. Sandika Natapalma	District of Ketapang, Province of West Kalimantan	8,406.21	Audited 2011	2011
PT. Budidaya Agrolestari	District of Ketapang, Province of West Kalimantan	1,002.21 (Other Area Under development)	Audited 2011	2011
PT. Mitra Austral Sejahtera	District of Sanggau, Province of West Kalimantan	8,741.29	Audited 2011	2011
PT. Padang Palma Permai	District of Aceh Tamiang and East Aceh, Province of Aceh	6,451.99	Audited 2011	2011
PT. Guthrie Pecconina Indonesia	District of Musi Banyuasin, Province of South Sumatera	10,139.91	Audited 2011	2011
PT. Perusahaan Sri Kuala	District of Aceh Tamiang and East , Aceh Province of Aceh	1,128.90	Audited 2011	2011

<b>2.0</b>	<b>ASSESSMENT PROCESS</b>
<b>2.1</b>	<b>Certification Body</b>
	PT Mutuagung Lestari
	Jl. Raya Bogor Km 33,5 No. 19 Cimanggis - Depok 16953 Indonesia
	Telephone +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 Team Auditor</b>
<b>2.2.1</b>	<b>Assessment Team</b>
<b>ST1 (Lead Auditor)</b>	<b>Deny A. Noemi (Lead auditor).</b> 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 reserve 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 assessment activity, he conducted assessment of worker welfare, environment, legal, Occupational Health and Safety (OHS), and land concession.
<b>ST2 (Lead Auditor)</b>	<b>Taufik Margani (Lead Auditor).</b> Bachelor of Science in Forestry, majoring in Forest Management. Specialist in Ecology and Environmental. He has led several audits for Sustainable Forest Management in Indonesia (under LEI- Indonesian Ecolabel Institute and FSC- Forest Stewardship Council) and he is a Lead Auditor for FSC chain of custody and Forest Management. 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 assessment activity, he conducted assessment of worker welfare, environments, legal, Occupational Health and Safety (OHS) and Supply Chain Requirement to Palm Oil Mill.
<b>ST1&amp;ST2 (Auditor)</b>	<b>Faruk Ahmad Nasir (Auditor).</b> Bachelor's Degree in Agriculture, Soil Science Major. Specialist in Ecology and Soil Conservation. He was numerously involved in studies concerning ecology, land use suitability, and environmental impact due to palm plantations establishment. Besides from the agricultural prospective, he was also numerously involved in studies concerning ecology, land use suitability, and environmental impact, and also performance assessment (LPI) in forestry, for both natural and man-made forests. In this main assessment, he assessed the environmental aspect. <b>Oktovianus Rusmin (Auditor).</b> Bachelor's Degree in Social & Political Sciences Department of Anthropology. Specialists in the field of Social and Cultural (Social Impact & Conflict Resolution) and HCVF. Followed the Forest Management Auditor Training (FSC Standard), ISO 14001 Environmental Management System Training & SVLK (wood legality) auditors. He was several times involved in the assessment of Sustainable Forest Management Certification (Standard LEI). Had worked at the Center for the study of Anthropology, University of Indonesia; and experts to the field of Social Tropical Forest Trust (TFT) Indonesia. He was numerously involved the Social Impact Study and Identification HCV in Oil Palm Plantations and natural forest concessions. In this assessment activity, he conducted assessment of social and land concession.

	<p><b>Marsudi Eko Santoso (Auditor Under Trainee)</b> Bachelor of Science in Agriculture, majoring in Agro technology. Never follow the Awareness of Management System Certification (ISO 9001-2008), Awareness of HACCP certification, training of RSPO auditor and training of RSPO Lead Auditor. He has followed several assessments for RSPO certification as an observer and under trainee. Currently he works for Independent Certification Body. In this assessment activity, he conducted assessment of <i>Best Practices</i>, Integrated Pest Management, worker welfare, environment, legal, Occupational Health and Safety (OHS).</p>
S1	
S2	
S3	
S4	
<b>2.3</b>	<b>Assessment Methodology, Progress, and Site Visit</b>
<b>2.3.1</b>	<b>Date of Assessment</b>
ST1	08 – 14 April 2011
ST2	04 – 10 June 2011
S1	
S2	
S3	
S4	
<b>2.3.2</b>	<b>Prediction of working days for conducting assessment</b>
ST1	Number of auditors : 4 persons Number of days for assessment at site : 7 days Number of working days for assessment at site : 28 Days
ST2	Number of auditors : 4 persons Number of days for assessment at site : 6 days Number of working days for assessment at site : 24 Days
S1	
S2	
S3	
S4	
<b>2.3.3</b>	<b>Detail process of assessment</b>
ST1	The Objectives of Stage – 1 ( <i>pre-assessment</i> ) activities: <ol style="list-style-type: none"> <li>a. to audit the client's RSPO documentation;</li> <li>b. to evaluate the client's location and site-specific conditions and to undertake discussions with the client's personnel to determine the preparedness for the stage 2 audit;</li> <li>c. to review the client's status and understanding regarding requirements of the standard, in particular with respect to the identification of key performance or significant aspects, processes, objectives and operation of the RSPO Certification;</li> <li>d. to collect necessary information regarding the scope of the RSPO certification, processes and location(s) of the client, and related statutory and regulatory aspects and compliance (e.g. social, legal, environmental, and best management practice aspects of the client's operation, etc.);</li> </ol>

- e. to review the allocation of resources for stage 2 audit and agree with the client on the details of the stage 2 audit;
- f. to provide a focus for planning the stage 2 audit by gaining a sufficient understanding of the client's and site operations in the context of possible significant aspects;
- g. To evaluate if the internal audits and management review are being planned and performed, and that the implementation of the RSPO certification substantiates that the client is ready for the stage 2 audit.

The assessment was conducted by measuring the sufficiency of implementation with the efforts done by the Paripurna Swakarsa (PSA) to the requirements of National Interpretation of the Republic of Indonesia from RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO INA-NIWG, May 2008) and Supply Chain Requirement for CPO Mill.

The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) *interview*, aiming to obtain more detailed information and cross check the information; and (3) field visitation, aiming to observe directly the sufficiency of implementation on site. Some points for improvement of pre-assessment results were informed by MUTU auditor to the management (PSA), and the results would be the verification material for the real assessment stage 2 (main assessment). All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and became the main annex of Assessment Report. The detailed assessment process is as follows:

**08 April 2011.** In the afternoon the team had the trip from PT Langgeng Muaramakmur to PT Paripurna Swakarsa.

**09 April 2011.** *Opening meeting*, held in the morning at SSE Meeting room, attended by Manager of *Plantation Service Quality Management*, Estate Manager SSE, Estate Manager PLE, Estate Manager RPE, Estate Manager BNE, Estate Senior Assistant, BNE field Assistant, PLE field Assistant, BKE Assistant, RPE field Assistant, Head of Administration and other relevant personnel. Then it was continued with document review, Focus on aspect of plantation operations. Auditor teams divided into 4 groups according to their respective expertise, the following :

**Tim I (Deni)** Documents review on aspect: Long-term management plans of the company; Management of hazardous material waste; Occupational Health and Safety Implementation Accident and emergency responses in the mill; waste management; management of air emission and pollution; FFB processing; The company commitment to transparency; and Workers welfare.

**Tim II (Faruk)** Documents review on aspect: Soil and water conservation; practices to maintain and improving soil fertility; management of HCV; land clearing and environment management.

**Tim III (Okto)** Documents review on aspect legality; land concession; conflict resolution; social; and management of HCV area.

**Tim IV (Eko)** Documents review on aspect workers welfare; Best Agriculture Practices, Integrated Pest Management and OHS Implementation.

**10 April 2011.** The team continues of Documents review. Based on documents review result, the team determines the sample site to be visited and then it presented to the management of PSA.

**11 April 2011.** The team held discussions related to the assessment findings.

**12 April 2011.** The team held field visit in the estate and mill. The auditor team visited to the locations that are considered critical issues related to environmental, social, employment, and Best practices in the estate and mill and then team held continued verification and discussion related of assessment findings.

**13 April 2011.** *Closing meeting* held in SSE meeting room, attended by GM Pamukan, Manager of *Plantation Service Quality Management*, Estate Manager SSE, Estate Manager PLE, Estate Manager RPE, Estate Manager BNE, Senior field Assistant, BNE field Assistant, RPE field Assistant, PLE field assistant, Head of Administration and other relevant personnel.

**14 April 2011.** Auditor team had the trip back to Jakarta.

**ST2**

Stage – 2 (*Main assessment*) activities aimed to verify effective implementation in accordance with the appropriate part of National Interpretation of the Republic of Indonesia from RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO INA-NIWG, May 2008) and Supply Chain Requirement for CPO mill.

The assessment was conducted in three methods: (1) Document review, aiming to observe the sufficiency of types or substances from required documents ; (2) *Interview*, aiming to obtain more detailed information and cross check the information ; and (3) Field visitation, aiming to observe directly the sufficiency of implementation on site.

Some referrals for improvement of pre-assessment results were conveyed by PT Mutuagung Lestari (MUTU) auditor to the management (PSA), and the results would be the verification material for the assessment S1 (Surveillance 1).

All information's obtained was recorded in Check List of MUTU and became the main annex of Assessment Report.

**04 June 2011.** In the afternoon the team had the trip from PT Langgeng Muaramakmur to PT Paripurna Swakarsa (PSA). Continued with the *Opening meeting* held in the afternoon at Sesulung Estate (SSE) Meeting room, attended by Estate Manager SSE, Estate Manager RPE, Estate Manager BNE, Senior field Assistant, BNE field Assistant, SSE field Assistant, RPE field Assistant, PLE field Assistant, Assistant of *Plantation Service Quality Management*, Head of Administration and other relevant personnel.

**05 June 2011.** Document review and observations. Auditors focusing documents review and observations relating to legality of the company, environmental management, social management, and Best Agriculture Practices. The auditors team are divided into 2 (two) teams based on aspect of assessment as follows:

**Tim I (Taufik)** Documents review and observations on aspect: Long-term management plans of the company; Management of hazardous materials and wastes; Occupational Health and Safety Implementation, the accident and emergency preparedness and responses in the mill; wastes management; management of air emission and pollution; FFB processing; The company commitment to transparency; Workers welfare and Supply Chain Requirement for CPO Mill.

**Tim II (Faruk)** Documents review and observations on aspect: Soil and water conservation; practices to maintain and improving soil fertility; management of HCV; land clearing and environmental management.

**Tim III (Okto)** Documents review and observations on aspect legality; land concession; conflict resolution; social; and management of HCV area.

**Tim IV (Eko)** Documents review and observations on aspect workers welfare; Best Agriculture Practices, Integrated Pest Management and OHS Implementation.

**06 June 2011.** Auditor team continued documents review and observations. Based on the result of documents review and interview with auditee, team determined several locations of sample that would be visited on the next day, and it has communicated to PSA Management.

**07 June 2011.** The auditor team held observations in the estate and mill. The auditor team specifically visited to locations with critical issues related to environmental, social, workers welfare and Best Practices; and verifying the public consultations results.

**08 June 2011.** The auditor team continued documents review and observations to verification of public consultation result and then the auditor team was held of discussion of assessment findings.

**09 June 2011.** *Closing meeting* was held at SSE Meeting Room, attended by General Manager of Pamukan, Manager of Plantation Service Quality Management, Estate Manager BNE, Estate Manager SSE, Estate Manager RPE, Senior field Assistant, Staff Minamas Research Centre (MRC), field assistant, Head of Administration and several other related personnels.

In the Closing Meeting presented the assessment findings by team auditor that are tentative and management unit would be certified for recommended because there are no finding with category major. The result of the final report will be prepared by a team of auditors and will be reviewed by internal Mutuagung Lestari and RSPO reviewers. Based on

	reviewers, it was specially reviewers of RSPO and auditor recommendation will then be decided by RSPO certificate by Certification Committee.
	<b>10 June 2011.</b> Auditor team had the trip back to Jakarta.
<b>2.3.4</b>	<b>Assessment Location Sample</b>
<b>ST1</b>	<p><b>Location 1 – Diesel Fuel Tank of Pondok Labu Factory (PLF),</b> The observation for Prevention of Solar contamination to nature, hazardous materials symbols, prevention for the fire hazard efforts (Fire Extinguisher availability)</p> <p><b>Location 2 – Generator Engine Station Room of PLF.</b> Observations and interviews that related with emissions hazards and air pollution control, hazard symbols, PPE implementation for operators (especially noise problems controlling), routine health service, welfare service, fire prevention/emergency response and routine machines maintenance</p> <p><b>Location 3 – Boiler Station of PLF.</b> Observations and interviews that related with emissions hazards and air pollution control, hazard symbols, PPE implementation for operators (especially noise problems controlling), routine health inspection service, operators welfare, emergency response, and chimney routine maintenance.</p> <p><b>Location 4 – Hazardous Waste Storage Room of PLE.</b> Observation of storage and Hazardous waste Management including hazardous waste monitoring and hazardous waste record, mounting of Hazardous Symbols, preventive of contamination, OHS Implementation.</p> <p><b>Location 5 – Non-Hazardous Waste Temporary Storage.</b> Observation of non-hazards waste management such as metal waste, plastic and others.</p> <p><b>Location 6 – Division IV Block H. 001</b> (2005 planting areas. 14,63 Ha ) in Binturung Estate is one of area that the Land Permit Certificate is being processed by the South Kalimantan National Land Authority</p> <p><b>Location 7 – Division II Block C.005:</b> Nikko's spring wells and Block C Division II: Sopian Tempuro springs. Both of the locations have been identified by the PT. PSA management as HCV 5 area (Binturung Estate).</p> <p><b>Location 8 – Boundary Pole Number 08.</b> Observations on the existence and management of Boundary Pole, the poles are a boundary between the PT PSA in the area of South Kalimantan Province with the Province of East Kalimantan.</p> <p><b>Location 9 – Blok D041 and D033 Division II PLE.</b> Observations on the existence and management of Boundaries Poles Number 20 in block D041 and Pole number 21 in block D033.</p> <p><b>Location 10 – Pondok Labu Estate Office</b> (confirmed by head of administration about the HGU area that is being processed by the East Kalimantan National Land Authority)</p> <p><b>Location 11 – Workers Emplacement &amp; Supporting Facilities in Division I,</b> Pondok Labu Estate. Observations and interviews with workers about the feasibility of workers emplacement, clean water sources and the state grievance mechanism relating to workers emplacement and workers welfare.</p> <p><b>Location 12 – Block O.05.</b> Observation the existence of the High Conservation Value management area (HCV) 4.</p> <p><b>Location 13 – Block K10 SSE.</b> Observations related to lower land management which is indicated as marginal land (Sulfuric acid area).</p> <p><b>Location 14 – Block V001 SSE.</b> Observations related to lower land management which is indicated as marginal land (Sulfuric acid area).</p> <p><b>Location 15 – Block H 018 PLE.</b> Observation related to Land Application.</p> <p><b>Location 16 – Block L41 SSE.</b> Observation related to water quality monitoring in monitoring wells in the Land Application area.</p> <p><b>Location 17 – L40 RPE.</b> Observation related to water quality monitoring in monitoring wells in the emplacement area .</p>

	<p><b>Location 18 – Waste Water Treatment (Palm Oil Mill Effluent).</b> Observation related to Palm Oil Mill Effluent Management.</p> <p><b>Location 19 – Block O45 SSE.</b> Interviews with sprayer that related with spraying policy and Reproductive Rights Protection Policy, periodic health check and PPE implementation.</p> <p><b>Location 20 – Block M43</b> Interviews with harvesters related to ripe criteria, harvesting techniques, PPE implementation and employee welfare and emplacement facilities that available.</p> <p><b>Location 21 – Emplacement Division IV PLE.</b> Observation related to employee emplacement feasibility, clean water sources and grievance complaints mechanisms related with emplacement problems.</p>
<b>ST2</b>	<p>Site visits were conducted in location that has related issues with company operational. Locations are determined based on public consultation and document review results. Determination of location sample refer to the formula provision (<math>x= 0.8 \sqrt{y}</math>). Locations that visited during stage-2 activities are :</p> <p><b>Location 1 - Sesulung Village.</b> Sesulung village is becoming site study exemplary because it is based on information from Social Impact Analysis document is known that there are land conflict between PT.PSA with the villagers. Based on information from interviews with Sesulung Chief village (Ibrahim), it is known that there is disagreement between the villagers with the management of PT.PSA about the boundary with the Sesulung Village. Sofar the communication that exists between the PT.PSA with the Sesulung villagers about how the mechanism or the resolution to be taken to resolve the issues. However on June 7, 2011 it has been followed up by communication between PT.PSA management with the Sesulung chief that state in agreement report about the problems settlement.</p> <p><b>Location 2 – Pondok Labu River Riparian reserve, Division III Block EF. 20.</b> Local Protection Areas condition (KPS) the Riparian reserve in this location is in good condition. The boundaries between the Estate and the riparian reserve have been marked with a yellow paint on the outer bound of the palm plant. The cover crop also in good condition.</p> <p><b>Location 3 – Pondok Labu Village.</b> Pondok Labu village become a sample of the site study because it is based on the Social Impact Analysis document was also found information that there were land conflicts between the villagers with PT.PSA. Based on site visit in this village, auditors met the village head (Radiman), Head of Dusun IV (Mardiono), Head of Dusun II (Wetas), Bahrudiansyah (Citizen/community leader) &amp; Musliadi (citizen). From the meeting result and interviews with Pondok Labu Village head and some villagers obtained information that in 2005 the locals citizen blocking and fencing the access road to the estate that through the village as a protest because the realization of the plasma program that has been promised by the PT.PSA is not implement at the beginning of the opening area. After the Kotabaru District government facilitated and the both side is reached an agreement to resolve the issue. Currently has implemented the plasma program in that village but the management and the administration still in PT.LMR coordination. Sesulung village head stated that since 2005 the land issue has been considered to be done.</p> <p><b>Location 4 – PT. PSA and Sesulung Village Boundaries.</b> The location is an area that has been defined by the PT.PSA as a High Conservation Area (HCV 3), the area which has endangered ecosystem &amp; extinction. This location is determined based on the stakeholder involvement, including community representative from the Sesulung village (according to the information from the interviews with Sesulung village head).</p> <p><b>Location 5 – Beach Riparian reserve V.</b> Observations regarding the actions and the progress of the HCV 4.2 management. Where it has doing the effort by placing the information board related to agrochemical use as far as 130 M from tidal beach area. Doing the yellow paint as sign for not be treated agrochemical applications.</p> <p><b>Location 6 – Block H7 BNE.</b> Observations and interviews about the actions and progress HCV 1.3 and 1.4 areas (The swamp area covered of Nipah) has taken management by putting sign board, appeal boards and the conditions covered by Nipah and not managed as estate area.</p> <p><b>Location 7 – Blok M 21 RPE.</b> Observations and interviews about management strategy of flooding area.</p>

	<p>The management strategy using water management of canals equipped with water gate. The condition of channels and water gate is maintained and the oil palms have been growing well.</p>
	<p><b>Location 8 – Block Q 39.</b> Observation on management strategy of sloping areas, such as making silt pit, planting <i>Nephrolepis</i>, U – shape frond stacking. Based on the observation of visible erosion control have been regarded as effective.</p>
	<p><b>Location 9 – Riparian reserve of Binturung River.</b> Observations regarding the actions and management of the riparian reserve area (HCV area), the management of mounting information boards, marking areas that should not be applied to agro chemical, appeal to illegal fishing (no fish poisoning).</p>
	<p><b>Location 10 – Block N30 RPE.</b> Observations on the condition of exiting wetlands areas in the LC (information sourced from the document of HCV assessment) in the area do not conduct operations. The area of bush and has been designated as area of HCV 1.3 and 1.4</p>
	<p><b>Location 11 – Block H004 BNE.</b> Observation on palms with planting years 2010 in an area of 67 ha that was originally planned for construction of Palm Oil Mill; the area is certainly not in the HCV area.</p>
	<p><b>Location 14 – Workshop of PLE.</b> Observation on the management of waste used oil, the implementation of OHS, the use of PPE, stand by emergency response, the existence and condition of first aid box.</p>
	<p><b>Location 15 – Block E21.</b> Observations and interviews with field supervisor Integrated Pest management and its members about sampling of pest monitoring, the situation nest box, and Integrated Pest Management training</p>
	<p><b>Location 16 – Agro-Chemical Warehouse.</b> Observations and interviews with the head of the warehouse on the management of chemicals, the use of PPE, periodic health checks, and the presence of chemicals that belong to a type 1 A and 1 B WHO</p>
	<p><b>Location 17 – Fire Fighter House.</b> Observations and interviews related to routine maintenance of equipment and the availability of fire department units.</p>
	<p><b>Location 18 – Clinic of Estate Division IV BNE.</b> Observations and interviews with the Nurse of the results of employees, the management of clinical waste and the wages received.</p>
	<p><b>Location 19 – Workers Emplacement of Division I.</b> Observations and interviews with workers about the feasibility of workers emplacement, clean water sources and the state grievance mechanism relating to workers emplacement.</p>
	<p><b>Location 20 – Block H 004 BNE (Location at development emplacement).</b> Observations and interviews with a contractor supervisor (CV. Sesulung Putra) regarding obligation of contractor workers welfare, use of PPE, programs and target development of workers emplacement.</p>
	<p><b>Location 21 – Hazardous Waste Storage Room of BNE.</b> Observation of storage and Hazardous waste Management including hazardous waste monitoring and records, hazardous symbols, preventive of contamination, OHS Implementation.</p>
	<p><b>Location 22 – Boiler Station at Palm Oil Mill.</b> Observations and interviews related to control of emissions and air pollution hazards, hazard symbols, the implementation of PPE for operators (especially for controlling noise problems), periodic health checks for operators, the welfare of operators, emergency response, and routine maintenance of the chimney smoke</p>
	<p><b>Location 23 – Station of Generator Engine Room.</b> Observation and interviews with control of hazards associated emissions and air pollution, hazard symbols, OHS Implementation, routine health examination service, welfare of operators, preventive fire hazards, and routine maintenance of machinery.</p>
	<p><b>Location 24 – Hazardous Waste Storage Room of PLF.</b> Observation of storage and Hazardous waste Management including hazardous waste monitoring and hazardous waste record, Hazardous Symbols, preventive of contamination, OHS Implementation.</p>
	<p><b>Location 25 – Waste Water Treatment.</b> Observation of Palm Oil Mill Effluent management and Land Application.</p>



	<b>Location 26 – Pondok Labu Palm Oil Mill.</b> Observation on the processing of Fresh Fruit Bunch (FFB), drainage mill, Occupational Health and Safety, Condition and existence First aid box, standby emergency response, the process of receiving FFB to dispatch CPO, and Supply Chain Certification System.
<b>S1</b>	
<b>S2</b>	
<b>S3</b>	
<b>S4</b>	
<b>2.4</b>	<b>Public consultation and the contacted list of stakeholders</b>
<b>2.4.1</b>	<b>Summary of Public Consultation Process</b>
	<p>There are 54 parties contacted to provide input information.</p> <p>Public consultation of stakeholders for PT PSA was done in 2 methods:</p> <ol style="list-style-type: none"> <li>1) <i>Public Announcement</i> on RSPO website.</li> <li>2) The public consultation meeting with stakeholders was performed simultaneously in two locations on May 31, 2011. The first location was Hotel Kartika Plaza Kotabaru South Kalimantan with attendees from the government agencies and local NGOs. The second location was in the Hall of Bebunga Estate, the audience is from the local communities, district, and village heads. Simultaneously with PT Langgeng Muaramakmur stakeholders. From the results of the consultation public meetings verbal feedback from stakeholders was received and then the assessor team verified the feedback to the company.</li> </ol>
<b>2.4.2</b>	<b>The contacted list of stakeholders</b>
	<i>See annex 6</i>
<b>2.4.3</b>	<b>Summary of issues from the public consultation</b>
2.4.3.1	Positive Issues
	<p>Some positive issues received from stakeholders related to performance of PT PSA:</p> <ol style="list-style-type: none"> <li>1) The company contributed to the increase in incomes of local people.</li> <li>2) Increase as the economy of local community with the many local people to the workers.</li> <li>3) The contribution of the plantation management to the local community</li> <li>4) The company has made and submits progress report of estate development.</li> <li>5) The company has made and submits a report implementation of RKL/RPL routinely.</li> <li>6) There are no violation related with the HGU</li> </ol>
2.4.3.2	Negative Issues
	<p>There were a number of negative issues as follows:</p> <ol style="list-style-type: none"> <li>1) Indications of Corporate Social Responsibility (CSR) Program is still less transparent</li> <li>2) Indication of the difficulty in asking for donations in form of equipment from the company to repairs roads in the village.</li> <li>3) Indication of KKPA Binturung office built on land conservation.</li> </ol>
2.4.3.3	Other Issues
	<ol style="list-style-type: none"> <li>1) The perception of receiving assistance to communities such as assistance for the 2005/2006 budget year with 20 million is a routine assistance.</li> <li>2) The public perception that the Village Development program should be the obligation of the company.</li> </ol>
<b>2.5</b>	<b>Next visitation</b>
	The date of next activities (surveillance) will be determined after approval of this report and/or approximately 12 months since certificate has been issued.

3.0 ASSESSMENT FINDINGS

3.1 Details of Non-conformance, Corrective Action, and Observation

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
2011.01	1.1.1	<b>Records of requests for information</b> - PSA already has a book of Incoming Mail Register, which is also used to record requests for information from stakeholders. However, it is recommended that PSA review SOP of Request for Information to ensure that all requests for information will be recorded in the book of Incoming Mail Register.	CFA	Estate & Mill		Before ST 2	June 2011. Records of information are available on estates and POM; SOP of requests for information has been revised: the information coming into operational units addressed to Operational Unit Manager is recorded, regular information will be stored and grouped according to the retention time of information that can and can not be accessed by stakeholders with reference to Act No.14 year 2008 regarding disclosure of public information	Closed	8/6/2011
2011.02	1.1.2	<b>Records of responses on requests for information</b> - PSA already has a book of Outgoing Mail Register which is also used to record responses on requests for information from stakeholders. However, it is recommended that PSA review the SOP of Requests for information to ensure PSA already set period of time to respond, and to ensure that all responses to requests for information will be recorded in the Book of Outgoing Mail Register.	CFA	Estate & Mil		Before ST 2	June 2011. Records of responses to requests for information are available in estates and POMs. Revised SOP of Request for Information (SOP. PI) which states that; all requests for information coming into the operational unit addressed to the Operational Unit Manager will be recorded in the Head Office; requests for information will be responded no later than two weeks after the request for information.	Closed	8/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
2011.03	1.1.3, 1.2.2	<b>The retention time of information documents</b> – There are no policies or procedures found showing that the retention time of the documents of requests and responses of information has been established.	NC	Estate & Mill	The company should review the SOP of Requests for Information to ensure that the retention time of records of information requests and responses have been determined in accordance with its importance.	Before ST 2	June 2011. The SOP of requests for information have been revised and states that regular information requests will be stored according to its regular time period of the requests and information requests which have no time limit will be stored for 5 years, for example about the Committee development	Closed	8/6/2011
2011.04	1.2.1	<b>Types of public information</b> – There are no procedures or policies found to classify the types of information that can be published, or excluded (can be withheld) which refer to the applicable rules and regulations (e.g.: Act No. 14 year 2008 on Disclosure of Public Information).	NC	Estate & Mill	The company must provide information management a procedure that explicitly classifies the types of information that can be published and is exempt refers to the Act No. 14 in 2008.	Before ST 2	The SOP of requests for information was revised in April 2011 with a list of information grouping that can and can not be accessed by stakeholders with reference to the Act No.14 year 2008 regarding disclosure of public information.	Closed	8/6/2011
2011.05	2.1.1 2.1.3 2.1.4	<b>The fulfillment of legal requirements</b> - PSA has demonstrated law compliance with the evaluation of the applicable law requirements. Some of the law requirements are stated that they have not been able to be complied and determined the compliance and have not been fairly consistent between the compliance evaluation and the existing actual evidence, e.g. Article 31 of Government Regulation 18/1999 on the	Minor	PKS	The company must consistently evaluate the compliance with applicable legal requirements and determine the compliance plan or prepare progress effort to comply the legal requirements that are not complied yet.	S1	June 2011. The evidence of compliance with applicable legal requirements can be demonstrated by the Company, including evaluation of compliance performed by the Company, but the evidence of compliance with the legal requirements demonstrated by the company is not consistent adequately between the evaluation of compliance and the existing actual evidence, including the compliance plan.	Open	

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
		management of hazardous waste which must be sent with hazardous waste manifest; Ministerial Regulation 04/Menaker/1980 about APAR installation and maintenance requirements, the compliance plans have not been determined							
2011.06	2.2.1	<b>Document of land tenure</b> - There is an area of 1,500 Ha of SSE that has not been had a document of Land Use Rights (HGU) certificate.	NC	Estate	The company must ensure that all legal documents in accordance with applicable land tenure regulations are available.	Before ST2	June 2011. PSA can demonstrate the legality of the land tenure for the area of 1,514 Ha however only 1,119.97 Ha is approved by the National Land Affairs Agency of South Kalimantan Province. Application for Certificate of Land Use Rights (HGU) is being processed by Land Use Rights (HGU) of South Kalimantan Province. Land Use Rights (HGU) was still in process where there is Cadastral Map No. D.1302 12/2008 certified by the Land Use Rights (HGU) of South Kalimantan Province, dated 4 August 2008.	Closed	8/6/2011
2011.07	2.2.2	<b>Signs of boundaries pole</b> - It is recommended to make periodic maintenance program to ensure the existence of the main pole (large pole) and the secondary pole (small pole) for boundaries demarcation (boundaries pole) of legal area that has been installed.	CFA	Estate		Before ST 2	June 2011. In the SOP of Maintenance of Land Use Rights (HGU) pole (PM 3001), maintenance of poles performed every 6 months is defined. Records of maintenance can be shown as a monitoring tally sheet and the results of field observations on the condition of boundary markers in BNE is maintained	Closed	8/6/2011
2011.08	2.2.5 6.3.1	<b>Conflict resolution procedures</b> - PSA has not been able to demonstrate the mechanism (SOP)	Minor	Estate & Mill	PSA must show evidence of mechanism (SOP) of Conflict Resolution, SOP	S1	June 2011. There is an SOP of Conflict Resolution <b>(056.PSA.PK/C12)</b> published in April 2011 which includes	Open (Minor)	

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
		of conflict resolution that can be accepted by the stakeholders			of Complaints Handling and SOP of Communication and Consultation that are accepted by the stakeholders		categorization of types of conflict and the termination of operational activities in the area of conflict according to the direction from the authorities and the management to the workers on the site, the revised SOP of Communication and Consultation in April 2011 (PSA / SOP MPK Revision 1) and the revised SOP of Public Complaints Handling (PSA/SOP MPK, revision 01). Based on interviews with head of Sesulung village, it is stated that the Company has not socialize the mechanism or the SOP of conflict resolution accepted by the stakeholders, although until now there has not been any conflict between the PT PSA with surrounding communities or other parties		
2011.09	2.3.1	<b>Traditional rights</b> – The company is recommended to identify and map out in an adequate scale of the existence of traditional rights existing within the working area of PSA. For example: land tenure rights, traditional rights of land use (fishing, hunting, etc.).	CFA	Estate	The company is recommended to verify that there are no traditional land rights and to identify and map the existence of traditional rights existing within the work area associated with HCV	Before ST 2	June 2011. There is no evidence of traditional land rights according to a letter of National Land Affairs Agency (BPN) of Kotabaru District South Kalimantan Province No. 000/03/KP-10, 2 September 2010 on the Status of Indigenous Rights / Communal Land; and all related land compensation process has been completed. In HCV documents in December 2009, the rights of traditional communities have been identified and mapped in the category of HCV 5. HCV maps	Closed	8/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
							presented are identified, and readable with adequate scale		
2011.10	4.1.2	<b>SOP of Mill</b> – SOPs of mill starting from FFB to CPO Dispatch are available, but SOP of Supply Chain with reference to the requirements of applicable supply chain RSPO must be provided.	CFA	Mill	The company is recommended to provide the procedure (SOP) of Supply Chain Certification System	Before ST 2	June 2011. POM has Palm Oil Mill technical guidelines starting from the receipt of FFB to Dispatch. There are also supporting documents such as Guidelines of Administration and delivery of CPO to bulking. To support the traceability of CPO produced PSA has an SOP on product traceability (traceability / RSPO/4.1/KP) dated 4 March 2009 and approved by relevant officials Head of SOU, SSE, RPE, BNE, PLE estates and Pondok Labu Factory (PLF) in March 2009	Closed	7/6/2011
2011.11	4.3.1	<b>Map of marginal land</b> - Based on data from the study of land suitability analysis, there is marginal land in the form of sandy land and land containing acid sulfate. For example in SSE (Block U-45 and U-46); RPE (Block L11-L26), but it has not been mapped.	NC	Estate	The company must provide a map of marginal land with an adequate scale.	Before ST 2	June 2011. Marginal land mentioned is the sandy land and low land (land containing acid sulfate) has been mapped to related estate (e.g. sandy land located in Sesulung Estate (Block U 45 and 46) covering an area of 30.2 Ha). Maps of marginal land displayed can be identified for each block of plants or in an adequate scale	Closed	8/6/2011
2011.12	4.5.2	<b>Monitoring of IPM activities</b> – In IPM monitoring practice of owls, there is inadequate information found that is the period of July 2010 - February 2011 in Sesulung Estate, which indicates that data is not changing (or constant),	NC	Estate	The company must monitor consistently and ensure the IPM data is valid.	Before ST 2	June 2011. The development of IPM for the owls is monitored every month. The observations results in SSE in April-May 2011 indicate a change, which is the declining population and the decline, is evaluated and corrective action plan is taken in the future.	Closed	8/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
2011.13	4.5.3	<b>Monitoring the toxicity of pesticides</b> - Monitoring the toxicity of pesticides comprehensively is available. However, it is necessary to compile records of pesticide toxicity based on the type of active ingredients.	CFA	Estate	The company needs to compile records of pesticides toxicity based on the type of active ingredients.	Before ST 2	June 2011. The company has shown a record of monitoring of the pesticides toxicity in the form of matrix of pesticide use per hectare (active ingredients / Ha) and has informed the active ingredients per hectare for each type of pesticide.	Closed	8/6/2011
2011.14	4.6.1	<b>Agro chemicals registered</b> - the PSA will need to ensure that all agro-chemicals used (including the Alley), are registered and permitted by the authorized agencies.	CFA	Estate	It is recommended to ensure the evidence that agrochemicals used are only the ones registered and permitted by the authorized agencies, i.e.: Alley	Before ST 2	June 2011. The company has shown evidence that the all agro-chemicals are registered and permitted by the authorized agencies, including the Alley with registration number RI 857/8-99/T	Closed	8/6/2011
2011.15	4.7.2	<b>Occupational Health and Safety Program</b> - The structure of Advisory Committee of Occupational Health and Safety (P2K3) Company has not indicated endorsement by the Transmigration and Labor Agency at the estate.	CFA	Estate	It is recommended to demonstrate the endorsement of the structure of Advisory Committee of Occupational Health and Safety (P2K3) Company by the relevant agencies.	Before ST 2	June 2011. The structure of Advisory Committee of Occupational Health and Safety (P2K3) Company of POM was formed on 14 January 2010; while RPE, BNE estates set the committee structure on 10 May 2011, PLE and SSE was set on 3 May 2011. The committee structure was approved by the Labor Agency of Kotabaru Agency, South Kalimantan, and every 3 month PSA and the Advisory Committee of Occupational Health and Safety (P2K3) holds a periodic and documented meeting.	Closed	7/6/2011
2011.16	4.7.4	<b>Periodic medical screening of employees</b> – From the interview with a boiler operator, it is known that PSA has a progress report for periodic medical screening for employees	NC	Mill	The company must ensure that the plan for periodic medical screening for employees who work at a particular	Before ST 2	June 2011. The schedule of periodic medical screening by the doctor for POM is done every 6 months and for the estates every 2 months. The medical screening has been carried out in	Closed	7/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
		who work at certain stations, but it has not yet implemented.			station (high risk) has been implemented according to the schedule.		accordance with the schedule established and is documented		
2011.17	4.7.5	<b>HIRAC</b> – The results of risk analysis in POM has not been adequate to ensure that it covers all kinds of danger and risk. For example, the danger of noise in boiler stations, press stations, and the engine room of POM	NC	Estate and Mill	The company must ensure that all types of hazards and risk control activities in each location are identified.	Before ST 2	June 2011. There are documents of HIRAC (Hazardous Identification Risk Assessment and Control) for POM that had been revised as of 5 April 2011. The revisions include risk management (risk control) from the dangers arising from the activities performed, e.g. boiler station for noise with the risk control in the form of ear plugs PPE, dust with PPE masks. It includes risk analysis for each estate has been identified and risk control has been defined.	Closed	7/6/2011
2011.18	4.7.6	<b>OHS Training</b> – The recorded evidence of OHS training is not adequate for the estates and POM, e.g. fire-fighting training for estates and mills, dated 3 December 2010.	NC	Estate and Mill	The company must provide records of OHS program training.	Before ST 2	June 2011. Programs of training and development of Human Resources for year 2010-2011 have been prepared and implemented in accordance with the plans defined, for example: In May 2010, the training of OHS which was attended by 21 personnel in the scope of the POM; On 5 April 2011 in the Head Office of BNE, PLE, trainings on OHS management were held.	Closed	7/6/2011
2011.19	5.1.2; 6.1.4	<b>Records of environmental management reporting</b> - PSA provided Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) report in 2010 including POM and the estates. However, it has not been consistently	Minor	Estate and Mill	PSA should reassess the submission mechanism of reports of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) to	S1	June 2011. PSA has shown documents of Environmental Management Plan and Environmental Monitoring Plan (RKL and RPL) of PT Paripurna Swakarsa (PSA) endorsed by the Agency for Agribusiness, Ministry of Agriculture, and Minister of Agriculture, dated 30	Open (Minor)	



No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
		communicated to relevant agencies. For example: there is no evidence found that the Report of period II in 2010 had been presented to the authorized agencies. Type of impact management contained in the Report of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) has not entirely referred to the direction of EIA document endorsed.			authorized agencies so that the submission can be more timely; and Reports of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) should be adjusted to the approved documents of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL).		March 1995. The reporting of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) semester II year 2010 has been sent to PSQM in Jakarta on 1 March 2011 for submission to the Environmental Agency of Kotabaru South Kalimantan, but PSA has not been able to show the evidence of acceptance from the relevant agencies for the reporting of semester II year 2010, and reports that have been revised or adjusted with endorsed documents of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) which has not included things such as: monitoring of changes in vegetation and wildlife, debit monitoring related to flood, opening job opportunities, increased community income, the pattern of farming <b>(Open)</b>		
2011.20	5.1.3 6.1.3	<b>Changes in aspects of monitoring and management</b> - PSA should be able to present the reasons behind the aspect changes managed and monitored between Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) and EIA document.	CFA Tobe Minor	Estate & POM	Report of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) should be adjusted to documents of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) endorsed	S1	June 2011. See 2011.19. Reporting of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) of semester II year 2010 has been sent to the Environmental Agency of Kotabaru South Kalimantan. The reporting of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) has been revised or adjusted with documents of Environmental Management Plan /	Open (Minor)	

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
							Environmental Monitoring Plan (RKL / RPL) endorsed but it has not yet included some items such as: monitoring of changes in vegetation and wildlife, debit monitoring related to flood, opening job opportunities, increased community income, the pattern of farming.		
2011.21	5.2.1	<b>Identification of HCV habitat</b> – The company has demonstrated HCV identification results document, where there are 9 types of HCV in the working area of PSA. However, there is no adequate evidence found to explain the results of HCV identification of coastal area related with its function for controlling abrasion. For example in SSE (V Indah Beach).	NC	Estate	The company should review the results of HCV identification by considering the coastal abrasion hazard.	Before MA	June 2011. Coastal riparian reserve have been identified and defined as HCV 4.2. Ecosystem areas are important as erosion and sedimentation control in accordance with the Letter dated 9 May 2011 from Chairman of SOU-11 to HCV Team of PT PSA. Revised HCV has been consulted by sending a letter dated 4 June 2011 to receive a response from National Land Affair Agency (BPN), Regional Environmental Agency (BLHD), and Forestry Agency of Kotabaru.	Closed	8/6/2011
2011.22	5.2.2	<b>Management of HCV</b> - PSA has an SOP of management of wildlife and conservation areas. However, the procedure has not been explained in detail about the specific measures towards protecting the species and / or types of existing HCV. Progress made is only limited to designation and marking of boundaries, and installation of name boards in some locations.	NC	Estate	The company should establish measures of HCV areas that will be protected, and set the time target.	Before ST2	June 2011. PT. PSA has made the measures related to the management of HCV defined for each estate. Beside that PT. PSA has a management program of each type of HCV in each estate for the period of year 2010-2011 (Sesulung Estate, Binturung Estate, Pondok Labu Estate and Rampa Estate), the program has been referred to the recommendation directions on improvement of HCV.	Closed	8/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
2011.23	5.2.3	<b>Management of hunting and fishing</b> – There is no adequate evidence that measures to control hunting, fishing, and / or illegal harvesting have been carried out.	NC	Estate	The company must demonstrate efforts to monitor and control the activity of hunting, fishing, and / or illegal harvesting. For example, through the installation of warning signs at strategic locations.	Before ST2	June 2011. Based on the results of field visits, it indicates that the measures taken have been in accordance with the program and the realization of HCV management in 2010-2011, for example: Sesulung Estate (Block V 44), there is evidence of the installation of name board of HCV 4.2, boards of prohibition / suggestion and boundaries pole; on name board, posters and boards of prohibition / advice have been included to applicable regulations.	Closed	8/6/2011
2011.24	5.2.4	<b>Socialization of the existence of protected species</b> – There has not been evidence that publication and dissemination activities have been carried out for employees and communities about the existence and protection measures for protected species.	NC	Estate	The company must show the evidence that socialization regarding the existence of protected species and the measures to protect them, has been done	Before ST2	June 2011. A socialization regarding the installation of Name board, Signpost of Advice and Posters has been done. It was addressed to: Head of Sesulung Village, Head of Pondok Labu village, Head of Binturung and Head of Rampa village, for example on 3 June 2011, but beside that socialization has been carried out directly to the community with the evidence in the form of attendance lists	Closed	8/6/2011
2011.25	5.2.5	<b>The officers of HCV implementation monitoring - PSA</b> has appointed special officers to monitor the implementation of HCV in each estate, but it has not been able to show evidence that the officers have been trained.	Minor	Estate	The company must show the evidence of competence of the officers who have been appointed for HCV implementation monitoring.	S1	June 2011. The company has not been able to show that these personnels are trained, however the Company has a plan / programs to conduct training for HCV cooperating with the BKSDA.	Open (Minor)	
2011.26	5.3.2	<b>Management of hazardous and non-hazardous waste</b> - There is the	NC	Estate & Mill	The company must ensure that the storage of	Before ST2	June 2011. Incoming waste management plan on the sheet or	Closed	7/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
		SOP of Management of Hazardous and Non-hazardous Waste No. RSPO/5.3/PLB3 & BB3) and the SOP of Standardization of Hazardous and Non-hazardous Waste No. 700/IK-TQEM-ESH / 10, but it has not been consistently implemented. For example, (1) symbols and labels of waste in storage room, (2) the license of a temporary storage room for the estate, (3) perforation of used pesticide packaging, (4) it has not identified the estates waste sources.			waste is in accordance with the SOP available.		identification matrix of waste sources describing the sources of waste due to the activities. Based on field visits of hazardous waste treatment is adequately controlled in accordance with applicable rules and the SOP of hazardous waste handling, including the proposal of a new temporary storage room to accommodate the whole hazardous Waste of PSA, the completeness of symbols, the packaging which was damaged while it is stored in hazardous waste landfills.		
2011.27	5.3.3	<b>Management and disposal of hazardous waste</b> – It is found hazardous waste management practices that have not referred to the applicable regulations (Kep-01/Bapedal/09/1995 and Kep-05/Bapedal/09/1995; Government Regulation No. 18/1999 jo Government Regulation No. 85/1999) resulting in direct contamination into the environment. Example: (1) diesel tanks in POM have no the roof and are not yet equipped with the oil trap, (2) Oil traps for SSE workshop does not fulfill the principle of water under flow, (3) metal waste is mixed with plastic and organic waste, (4) domestic waste disposal around the workshops of SSE and "V" beach.	NC	Estate & Mill	The company should review the policies and procedures for the management of hazardous waste, referring to the applicable regulations (Kep-01 and Kep-05/ Bapedal/09/1995; PP 18 /1999).	Before ST2	June 2011. The license of temporary storage room for hazardous waste is in the process of licensing changes of hazardous material landfills including sources of waste from the Estates, which is the letter dated 2 May 2011 from the Factory Manager (PLF) to GM PSD Banjarbaru. Corrective action for the fulfillment of hazardous waste management in the field (POM) has been carried out and controlled e.g. diesel fuel and oil trap tank with under flow since late May 2011, for Pondok Labu Estate and SSE, oil trap workshop has been fixed since early May 2011.	Closed	7/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
2011.28	5.5.4	<b>Facility of land fire extinguisher</b> - PSA has had a number of fire extinguishers, which include 2 units of portable water pumps for each estate. For example there are Fire extinguishers warehouse of SSE. To guarantee the feasibility of use and function, it is recommended that PSA shows evidence of periodic inspection of equipment.	CFA		The company is advised to fulfill land fire prevention facilities and infrastructure, in accordance with its vulnerable level by performing periodic checks on the equipment.	Sebelum ST 2	June 2011. The company has conducted periodic inspections of fire extinguishers in each estate to see the readiness and condition of fire equipment. In addition PSA has conducted an Evaluation of Fire Extinguisher Equipment available by comparing adequacy of fire extinguishers to the type of equipment specified in SOP (Fire Fighting)	Closed	8/6/2011
2011.29	5.6.3	<b>Records of pollution and emissions reduction efforts</b> – Some efforts to reduce pollution and emissions in POM have been done, for example: cleaning boiler dust collector boiler every 3-month, cleaning the engine room, etc. The records are not yet available.	NC	Mill	The company must provide records of all efforts made to reduce pollution and emissions in POM.	Before ST2	June 2011. Efforts and plans to reduce pollution and emissions in boilers and generators are ensured by monitoring periodically. Annual maintenance is scheduled for boilers and generators engine. POM is able to show records of maintenance realization done for Boiler unit, for example: cleaning steam boilers and check card of boiler machine units per two months. The same thing is done for generator engine maintenance records. The same thing is available in respective estate for schedule and records of maintenance.	Closed	7/6/2011
2011.30	6.1.1	<b>The document of environmental and social impacts analysis</b> - The company has not completed the information of monitoring and management of social impacts on the community according to documents of Environmental Management Plan / Environmental Monitoring Plan (RKL	CFA To be minor	Estate & PKS	Company documents must complete the documentation of monitoring and management of positive and negative impacts on the community because of plantation operations	Before ST2	June 2011. Documents of social impact in January 2010 has been available and EIA documents (Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL)), which was endorsed in 1995. However, the company has not presented evidence that those two documents complement	Open (minor)	

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
		/ RPL) and document of Social Impact Study analysis report, for example: conflicts potential and conflicts occurred, changes in perception of communities, etc.			based on documents of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) and Social Impact Study		each other in their relation with social impacts due to company operation.		
2011.31	6.1.2	<b>Public participation in environmental management</b> - The study results of social impact indicate the existence of community involvement as a source of information provider, but it has not shown active community involvement in the management and monitoring.	CFA To be minor	Estate & Mill	The company should establish and develop a plan for monitoring the social impact that will be carried out periodically and involve the community.	S1	June 2011. The management of PT. PSA has not been set and developed a plan for monitoring the social impact that will be carried out periodically and involve the community.	Open (minor)	
2011.32	6.2.1	<b>Communication and consultation procedure</b> - It is advisable to review the communication and consultation procedures to ensure that the communication and consultation include (1) employees and the community, (2) to determine which form of communication can be done, (3) to ensure to store records of communication results, and (4) to provide a means of communication and consultation that can be used widely, including the illiterate.	CFA	Estate & Mill	It is recommended to review the SOP of communication and consultation to ensure the communication and consultation with the community	Before ST 2	June 2011. The company has revised its SOP for Communication and Consultation dated 11 April 2011, and the records evidence of communication and consultation with communities is available (SE/PSA/-F05-03), Minutes of Coordination Meeting With the Community of Binturung Village dated 10 May 2011 about the problems of land between PSA and the Village.	Closed	
2011.33	6.2.2	<b>List of stakeholders</b> – The company has not included other companies around the work area into the list of stakeholders, and classify NGOs according to their field operations.	CFA	Estate and Mill	The company is advised to have a list of stakeholders by including other companies and NGOs surrounding.	Before ST 2	June 2011. The company has completed stakeholders list by including the companies surrounding, for example: PT Langgeng Muara Makmur, PT Laguna Mandiri, and NGOs	Closed	8/6/2011

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Date and Observation	Status	Closed Date
							according to their fields, e.g. NGOs Lamas, Gasak, Anak Kaki Gunung Sebatung.		
2011.34	6.7.1	<b>The policy on the requirements of the worker's age</b> - The company should review the 7 <sup>th</sup> clause of the Circular Memo of Senior Manager No. 12/SSE-INT/1/2010 regarding the age requirements that states: In the event of an employee recruited with violation to the age limit, any occurring risk is the responsibility of the individual in question. This is contrary to Article 3 paragraph (1) of Act No. 20 year 1999.	CFA	Estate & Mill	The company should review the rules of the circular memo regarding the worker's age requirements according to the rules.	Before ST 2	June 2011. Revised Circular Memo from Managers of each estate and POM regarding the minimum (18 years) and maximum age limit (35 years) for recruitment of new employees.	Closed	8/6/2011
2011.35	6.11.1	<b>Contribution to local development</b> - it is highly recommended that the Company review CSR / CD program that has been done, to reduced charity programs. CSR program should be compiled based on the identification of priority needs (basic needs) from the community or society affected, including considering gender issues and socializing CD / CSR program plan which will be conducted by the company.	CFA	Estate & Mill	Records of the company's contribution to regional development are available, but CSR program should be compiled based on the identification of priority needs (basic needs) from the community or society affected, including considering gender issues and socializing CD/CSR program plan which will be conducted by the company.	S1	June 2011. The company does not have a CSR program which is compiled based on the identification of priority needs (basic needs) from the community or society affected, including considering gender issues and socializing CD / CSR program plan which will be conducted by the company.	Open	

**New Non-conformance in Stage 2 (Main Assessment)**

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Observation Date	Status	Closed date
2011.36	4.4.2	Water treatment program in POM is in the form of Wastewater Treatment Plant (WWTP) to be used as a Land Application and there is records evidence of monitoring done (wells, reservoirs), but there is no adequate evidence of measuring the quality of river and reservoirs water, although water treatment program has been done by creating buffer zones and the Company has a measurement plan in June and December 2011	Minor	Estate	The company (estate) must have a record of water quality monitoring of rivers and reservoirs related to the implementation of water treatment program	S1			
2011.37	4.6.6	<b>Records of medical screening results</b> – There is a personnel of Agrochemical Warehouse Head who has not performed periodic medical screening.	CFA	Estate	The company is advised to do medical screening for personnel associated with chemicals, e.g.: Head of Chemical Warehouse	S1			
2011.38	4.7.1	Several reports such as the monitoring of workplace accidents (estates and POM), Occupational Health and Safety (OHS) equipment inspection, it can be shown within a certain period. However, estates have not been fully able to show documented reporting activities of occupational health and safety programs implemented, for example: 3 (three) monthly report to the Labor Agency illustrating the	Minor	Estate	Company (estates) must present evidence of documented reporting of occupational health and safety programs implemented, for example: 3 (three) monthly report to the Labor Agency illustrating the application of Advisory	S1			



No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Observation Date	Status	Closed date
		application of Advisory Committee of Occupational Health and Safety (P2K3) in accordance with specified program.			Committee of Occupational Health and Safety (P2K3) in accordance with specified program.				
2011.39	4.7.7	It is recommended to make a schedule or training program or simulation of STD with more consistent implementation twice a year by involving workers	CFA	Mill & Estate	The company should create a training program or simulation about STD so that the implementation are more consistent in accordance with procedures of STD PSA / SOP.PD section 6.7.2 trial conducted twice a year by involving workers	S1			
2011.40	4.7.10	For each case of work accidents arise, the determination analysis of the main cause is not fully made for then remedial action is determined in order to prevent the same accidents occurred, for example: workplace accidents occurred in PLE in March 2011 as many as 14 cases, 14 cases in April 2011, 16 cases in May.	CFA	Estate	The company is advised to make a record stored of the incidence of workplace accidents to determine main cause and determine corrective actions so that it will not happen again.	S1			
2011.41	4.8.2	Every training followed by every worker in both the POM and the estate is recorded in the form of attendance list and a list of certified training participants. But the	Minor	Mill & Estate	The company must be able to demonstrate or provide updated records of the workers or staff after attending	S1			

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Observation Date	Status	Closed date
		company has not been able to show the latest record (updating) for the number of workers or staff after training (certified or not certified) to show that the staff or employees are trained and competent, for example: Senior Assistant PLE, Senior Assistant SSE, Manager PLF			trainings (certified or not certified) to indicate the employee is trained and competent				
2011.42	5.1.3	There is a difference in the Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) to the actual conditions of PT PSA covering an area corresponding with Land Use Rights (HGU) not covering 20,100 ha, the construction of POM in Sesulung, and the village coverage where the number of villages is 4.	Minor	Mill & Estate	The company should revise the document of environment management if there are changes in terms of operational areas or activities of the company	S1			
2011.43	5.3.4	Waste generated is recorded according to the monitoring period: namely liquid waste (POME) for land applications is recorded every month, hazardous waste is recorded every day and the recapitulation is made per month, for example: oil, batteries, oil filters, cotton waste, etc. and Non hazardous Waste is recorded and the recapitulation is made per month, for example scrap metal, scrap tires Analysis of non-hazardous waste is	CFA	Mill and Estate	The company is recommended to provide records of waste analysis which can show the efficiency of energy use where the productivity will be proportional to the waste arising	S1			

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Observation Date	Status	Closed date
		recommended to be provided so that it can demonstrate the efficiency of energy use where the productivity will be proportional to the waste arising							
2011.44	8.1.1	Some environmental monitoring has not been fully carried out periodically, so that action plans have not been able to set out to perform continuous corrective action, e.g. the measurement of water quality of rivers and reservoirs in each estate, increased income or job opportunities and others.	Minor	Estate and Mill	The company must conduct environmental monitoring and establish action plans for continuous corrective action based on the consideration of environmental impact analysis	S1			
2011.45	SCCS 2.2	In practice, if there is a document that is not appropriate for the FFB received, PSA will confirm to the driver by verifying to the estate (fruit receipt form SPB maker). But the company has not been able to demonstrate a mechanism or procedure for handling discrepancies of document of raw materials received if it is invalid.	Minor	Mill	The company should have a mechanism for handling discrepancies of document of raw materials received if it is invalid.	S1			
2011.46	SCCS 3.1	There is an invoice issued by POM (the logistic forwarded to Marketing) mentioning the name and address of purchaser, date of invoice, the amount of products shipped, product description, but the company has not set up to provide	Minor	Mill	Certified palm oil to be delivered and should provide information of material category ("Mass Balance") in the Minutes and Invoice of CPO	S1			

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Observation Date	Status	Closed date
		information of material category according to the scope							
2011.47	SCCS 5.2	The retention time of records related to traceable CPO production (supply chain) has not been defined at 5 years, examples of daily production reports, monthly production statistics, the recapitulation of grading in Pondok Labu POM	CFA	Mill	The company is recommended to determine the retention time of the records and reports at least 5 years. Related to SCCS requirements.	S1			
2011.48	SCCS 5.3 a) b)	There is data of information or record of information of FFB received and CPO produced per month and sold and the remaining stock, but it is still not in the form of a balance recapitulation sheet per 3 months, and describing the stock of the scope of the Mass Balance.	CFA	Mill	The company must record and make a balance recapitulation sheet of certified palm oil received and sent per 3 months, and the balance sheet that describes the stock of the scope of the Mass Balance.	S1			
2011.49	SCCS 6.1 6.2.	Implementation of SCCS Support system namely Sime Weight System, fruit receipt form (SPB) and related procedures, but the company has not conducted specific training, despite the fact that training plan for SCCS is already planned in July 2011. SCCS training has not been recorded because it is still in progress for planning.	Minor	Mill	The company must establish and make training for all staff related to the requirements of SCCS, and the training records must be stored	S1			

No.	Ref Std/ Indicator	Non-conformance	Grade	Location	Requests for corrective action	Time Limit	Observation Date	Status	Closed date
2011.50	7.1	Sustainable palm oil (certified) has not been produced and there has not been adequate evidence that the company will refer to the RSPO guidelines for Communication and Claims related to certified products.	Minor	Mill	The company must, and only refer to RSPO guidelines for Communication and Claims related to sustainable palm oil.	S1			

3.2	Issues that arising from public, the Company and Auditor Response		
	Public issues	Response from the company	Response of the auditor
	<b>Pondok Labu Village Community Leaders</b>		
	CSR program is still less transparent, it is expected that community is given an explanation about this.	Dissemination of CSR programs plan to the community will be carried out at the beginning of each year	CSR programs conducted by the company are considered less transparent. But the firm will disseminate CSR program plan. See also criteria 6.2 and 6.11
	<b>Head of Sesulung Village</b>		
	<ul style="list-style-type: none"> <li>• There has been a fund for CSR programs in Sesulung Village for budget year 2005/2006 as much as 20 million but now there is not anymore.</li> <li>• The village development program should be the obligation of the company.</li> <li>• The community often has a difficulty in asking for donations in form of equipment from the company to repair roads in the village.</li> <li>• At the time of Development Planning Meeting (Musrembang) conducted by the District Government in March 2011 there was no representative present from Minamas Group</li> </ul>	<ul style="list-style-type: none"> <li>• The donation is not a routine donation but it is an incidental donation and there are policy changes related to the Headquarter Management of CSR programs.</li> <li>• Village development became the company's liabilities but it is not entirely the responsibility of the company because there are village government and other related agencies that are also responsible for village development program.</li> <li>• All donation requests from the community must be made in written form addressed to the estate manager as a requirement to be processed.</li> <li>• Based on information from the estate manager (Mr. Bambang), the Company had followed the Musrembang several times that was organized by the local government.</li> </ul>	<p>In addition to regular financial aid to communities, the company also has incidental assistance programs, but the policy is determined by the headquarter Management.</p> <p>See criterion 6.2 and 6.11</p>

	<p><b>Binturung Village Secretary</b></p>		
	<ul style="list-style-type: none"> <li>• KKPA Office of Binturung has been built on the conservation land, and there are already oil palms since 2005.</li> <li>• The company should open a forum for consultation and programs socialization to the community each year</li> </ul>	<ul style="list-style-type: none"> <li>• KKPA Office of Sungai Cengal Binturung Village is located in the former Office of Binturung estate surrounded by employees housing.</li> <li>• The company has never opened a forum for consultation and programs socialization to the community.</li> </ul>	<ul style="list-style-type: none"> <li>• Based on observation results in the field it is known that KKPA Office of Sungai Cengal Binturung Village (Division 2 BNE) is located in the former Office of the Binturung Estate surrounded by the employees housing</li> <li>• The company should provide understanding and socialization to the community about CD / CSR program that will be implemented and also to make the moment as a forum for public consultation. See criteria 6.2 and 6.11</li> </ul>
	<p><b>A Rampa Cengal Community Leader</b></p>		
	<ul style="list-style-type: none"> <li>• Rice donation has been discontinued, what is next?</li> <li>• Plasma program plan has not been realized by the company</li> </ul>	<ul style="list-style-type: none"> <li>• The donation has not been given because the village has not submitted a list of names of rice donation recipients as a condition for processing the donation in each estate</li> <li>• The management of PT. PSA has submitted the community request to PSD Banjarbaru but there has been no answer.</li> </ul>	<ul style="list-style-type: none"> <li>• CSR programs conducted by the company are considered less transparent. But the company will disseminate CSR program plan. See also criteria 6.2 and 6.11</li> <li>• Plasma program will be done by the company gradually but at this moment LMR is carrying it out while PSA has not been done. Due to the policy is the authority of Minamas Head quarter.</li> </ul>

	<p><b>Kotabaru Plantation Agency</b></p> <ul style="list-style-type: none"> <li>The Company has made and submitted plantation progress reports regularly plantations but it is not timely.</li> </ul>	<ul style="list-style-type: none"> <li>The system for receiving reports will be improved through the receipt of reports</li> </ul>	<ul style="list-style-type: none"> <li>The mechanisms of reports submission should be timelier.</li> </ul>
	<ul style="list-style-type: none"> <li>The company should be more sensitive to any problems that exist in the surrounding communities.</li> </ul>	<ul style="list-style-type: none"> <li>The company has tried to be sensitive to community problems by providing assistance in CD/CSR program.</li> </ul>	<ul style="list-style-type: none"> <li>Programs to be implemented by the company should be adjusted to the basic need of local communities.</li> </ul>
	<p><b>Regional Environmental Agency (BPLHD)</b></p>		
	<p>The Company has made and submit a report Implementation of Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL) on a regular basis but has not been timely</p>	<p>Will be improved system for receiving reports through the receipt of the report.</p>	<p>The mechanisms of reports submission should be timelier.</p>
	<p><b>National Land Agency (BPN) of Kotabaru</b></p> <ul style="list-style-type: none"> <li>There has been no violation related to Land Use Rights (HGU)</li> <li>In National Land Agency (BPN) there is a field related to CSR thus it is suggested to the company to cooperate / coordinate with National Land Agency (BPN) in the field.</li> </ul>	<ul style="list-style-type: none"> <li>The company has fulfilled the requirements regarding Land Use Rights (HGU).</li> <li>Coordination regarding CSR programs with National Land Agency (BPN) Kotabaru will be held.</li> </ul>	<ul style="list-style-type: none"> <li>It is regarded that the company has fulfilled the requirements regarding Land Use Rights (HGU).</li> <li>The company already has CD / CSR program plan adjusted to the ability of the company's budget.</li> </ul>
	<p><b>Forestry Agency</b></p>		
	<p>Forestry Agency has not been invited to Public Consultation related to HCV assessments</p>	<p>Coordination implementation related to public consultation associated with HCV assessment is done by Consultant Party.</p>	<p>At stage 2 the company has submitted documents of the identification of HCV to obtain responses from relevant agencies.</p>



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

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

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

Signed on behalf of:

Head of PSQM  
MINAMAS Plantation

Lead Auditor  
PT Mutuagung Lestari

Mohammad Pirabaharan  
Thursday, 09 June 2011

Taufik Margani  
Thursday, 09 June 2011

Annex 1. Checklist of Main Assessment Results of the RSPO Certification		
RSPO Ref.	RESULTS OF MUTU-Certification VERIFICATION	Status
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
1.1	<b>Oil palm growers and millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages &amp; forms to allow for effective participation in decision making.</b>	
<b>1.1.1 Records of Information Requests.</b>		
ST1	<p>The company has shown an Incoming Mail Register book provided for recording all incoming mail from stakeholders, including requests for information. The materials recorded consist of: date, number of letters, from the (applicant for information), addressed to, and subject.</p> <p>There is an SOP No. PSA / SDP PI dated 1 December 2010 regarding Request for Information set the process to receive and respond to information. However, it is recommended that these procedures are reviewed and completed the following things:</p> <ul style="list-style-type: none"> <li>- Ensuring that all information requests and responses will be recorded,</li> <li>- Establishing the retention time of the document of requests for information in accordance with their importance,</li> <li>- Setting the maximum time period for responding to any request for information,</li> <li>- Classifying the type of information which may be published or excluded according to the applicable regulation (e.g.: Act No. 14 of 2008 on Public Information Disclosure).</li> </ul> <p><b>The Non-conformance in this indicator is CFA-2011.01</b></p>	<b>X</b>
ST2	<ul style="list-style-type: none"> <li>• The evidence of record of requests for information is already available in the form of Incoming Mail Register book which is made uniformly in all the estates and one mill. Requests for information tend to come from agencies that want to obtain information about the operations of PT PSA, for example: Letter from Plantation Agency requesting the progress of PSA.</li> <li>• There is SOP of Request for Information that has been revised (SOP. PI). The SOP has been stated that; all requests for information that come into the operational unit addressed to the Operational Unit Manager will be recorded, regular information will be stored according to its regular time &amp; request for information without time limit will be stored for 5 (five) years, grouping the information that can and can not be accessed by stakeholders with reference to the Act No.14 year 2008 regarding disclosure of public information. <b>The Non-conformance status of CFA-2011.01 is declared as closed.</b></li> </ul>	√
S1		
S2		
S3		
S4		
<b>1.1.2 Records of responses to information requests</b>		
ST1	<p>The company has shown an Outgoing Mail Register book provided for recording all outgoing mail to stakeholders, including responses of requests for information. The materials recorded consist of: date, number of letters, addressed to, and subject. However, it is recommended that the company can show a guarantee that all responses to requests for information will be recorded. <b>The Non-conformance in this indicator is the CFA-2011.02</b></p>	<b>X</b>
ST2	<ul style="list-style-type: none"> <li>• The record evidence of responses of requests for information is already available in the form of Outgoing Mail Register book which is made uniformly in all the estates and one mill.</li> </ul>	√

	<ul style="list-style-type: none"> <li>There is SOP of Request for Information that has been revised (SOP. PI). The SOP has been stated that; all requests for information that come into the operational unit addressed to the Operational Unit Manager will be recorded in the Office, requests for information will be responded no later than 2 weeks after the request for information, requests for regular information will be stored according to its regular time &amp; request for information without time limit will be stored for 5 years, grouping the information that can and can not be accessed by stakeholders with reference to the Act No.14 year 2008 regarding disclosure of public information. <b>The Non-conformance status of CFA-2011.01 is declared as closed.</b></li> </ul>	
S1		
S2		
S3		
S4		
<b>1.1.3</b>	<b>The records mentioned in 1 and 2 must be maintained for a period of time determined by the company, taking into account their relative importance.</b>	
ST1	<p>The company already has a SOP on Requests for Information, but there is no clause of the SOP, or other forms of documented policy that sets the retention time of records of requests and responses of information in accordance with their importance.</p> <p>Please see also 1.1.1 above. <b>The Non-conformance in this indicator is NC-2011.03</b></p>	<b>X</b>
ST2	<ul style="list-style-type: none"> <li>There is SOP of Request for Information that has been revised (SOP. PI). The SOP has been stated that; all requests for information that come into the operational unit addressed to the Operational Unit Manager will be recorded, regular information will be stored according to its regular time &amp; request for information without time limit will be stored for 5 (five) years, for example community development, data requests associated with the company e.g. Land Use Rights (HGU); grouping the information that can and can not be accessed by stakeholders with reference to the Act No.14 year 2008 regarding disclosure of public information.</li> </ul> <p><b>The Non-conformance Status of NC-2011.03 is declared as 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>1.2.1</b>	<b>Information and responses must include any relevant or required documentation, in accordance with applicable national laws, such as:</b>	
ST1	<p>During the audit, the Company can demonstrate legal documents (e.g. Certificate of Land Use Rights (HGU)); environmental management documents (e.g. EIA results, Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL), and the identification results of HCV); social management documents (e.g. the Social Impact Assessment); and documentation of Occupational Health and Safety activities. Information Request Procedures regulate the authority to respond for the estate level, Region Office (Banjarmasin), and Head Office (Jakarta) based on the type of information requested, including the level of confidentiality of documents. In this regard, it is necessary that clear policies or procedures to determine which categories of documents that can be published and document that must be kept the confidentiality with reference to applicable regulations (refer to the Act NO. 14/2008).</p> <p>Please see also explanation in 1.1.1 above.</p> <p><b>Non-conformance in this indicator is NC-2011.04</b></p>	<b>X</b>

ST2	There is SOP of Request for Information that has been revised (SOP. PI). The SOP has been stated that; all requests for information that come into the operational unit addressed to the Operational Unit Manager will be recorded, regular information will be stored according to its regular time & request for information without time limit will be stored for 5 years, grouping the information that can and can not be accessed by stakeholders with reference to the Act No.14 year 2008 regarding disclosure of public information. <b>The Non-conformance Status of NC-2011.04 is declared as closed</b>	√
S1		
S2		
S3		
S4		
<b>1.2.2</b>	<b>The records must be maintained for a period of time determined by the company, taking into account their relative importance.</b>	
ST1	See explanation in 1.1.3 above. <b>Non-conformance in this indicator is NC-2011.03</b>	<b>X</b>
ST2	There is SOP of Request for Information that has been revised (SOP. PI). The SOP has been stated that; all requests for information that come into the operational unit addressed to the Operational Unit Manager will be recorded, regular information will be stored according to its regular time & request for information without time limit will be stored for 5 years, grouping the information that can and can not be accessed by stakeholders with reference to the Act No.14 year 2008 regarding disclosure of public information. <b>The Non-conformance Status of NC-2011.03 is declared as closed.</b>	√
S1		
S2		
S3		
S4		
<b>PRINCIPLE #2 COMPLYING WITH APPLICABLE LAWS AND REGULATION.</b>		
<b>2.1</b>	<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	
<b>2.1.1</b>	<b>Evidence of compliance with relevant legal requirements</b>	
ST1	PSA has been shown the results of evaluation of the applicable legal requirements. Some of the legal requirements have not been complied, among others: (1) submission of quarterly reports of the emissions test to the Governor (Article 7 of Decree of Environmental Minister No.13 in 1995), (2) training for welders (Article 3 Regulation of Transmigration Minister (Permentrans) No. PER. 02/MEN/1982). The company has not shown the progress to take action on these regulations that have not been complied. <b>The Non-conformance in this indicator is NC-2011.05</b>	<b>X</b>
ST2	Legal requirements had been complied by the Company to conduct an evaluation of its fulfillment. The evaluation performed at least annually and the last was performed in January 2011. Examples of compliance with legal requirements: <ul style="list-style-type: none"> <li>- Act No. 1 / 200 about ratification of ILO 182 – the elimination of child labor</li> <li>- Act No. 20/1999 about the ratification of ILO Convention - the minimum age to work</li> <li>- Decree of Environmental Minister No. 13/1995 not moving Emissions Quality Standard</li> <li>- Government Regulation 41/1999 regarding air pollution control by performing periodic measurements of not moving air emissions (boiler and generators)</li> <li>- Government Regulation No. 82/2001 about water quality management and water pollution control, by measuring water quality in the form of monitored wells and reservoirs regularly.</li> <li>- Act No. 5 / 1960 - regarding the location permit and Land Use Rights (HGU), its compliance is not</li> </ul>	<b>X</b>

	<p>yet evaluated, even though the Land Use Rights (HGU) has been issued for the area of Paripurna Swakarsa (PSA) with the Land Use Rights (HGU) No. 137/HGU/BPN/97 = 14,892 ha; Land Use Rights (HGU) is in the process covering an area of 1,119.97 hectares (National Land Affairs Agency (BPN) Letter South Kalimantan Province No. 0013/9-63/I/2010, dated 21 January 2010)</p> <ul style="list-style-type: none"> <li>- Government Regulation No. 40/1996 on Land Use Rights (HGU), Building Use Rights (HGB) and land use rights article 7 (3) There is Land Use Rights (HGU) certificate evidence - its compliance is not yet evaluated, but there is already Land Use Rights (HGU) No. 137/HGU/BPN/97 = 14,892 ha; Land Use Rights (HGU) is in process covering an area of 1,119.97 hectares (National Land Affairs Agency (BPN) Letter South Kalimantan Province No. 0013/9-63/I/2010, dated 21 January 2010)</li> <li>- Government Regulation 27/1999 regarding EIA - already complied with evidence of approval from the Ministry of Agriculture, on 30 March 1995, but the company must adapt to actual conditions in which the area, number of village and location of the village of Palm Oil Mill differ on the content of the EIA document (Environmental Management Plan / Environmental Monitoring Plan (RKL / RPL))</li> <li>- Regional Regulation of South Kalimantan Year 2009 Gender mainstreaming in regional development with the equivalence of Act 7/1984 concerning discrimination of women – not yet in accordance with the evaluation of compliance because Women Gender Committee should already exist</li> <li>- Ministerial Regulation 04/Menaker/1980 about installation and maintenance of Fire Extinguisher Equipment (APAR) condition – the compliance plan has not been determined</li> <li>- Article 31 of Government Regulation 18/1999 regarding the management of hazardous waste which must be sent with hazardous waste manifest and the compliance plan has not been determined</li> </ul> <p>Evidence of compliance with applicable legal requirements can be demonstrated by the company, including the evaluation of compliance by the company, but the evidence of compliance with the legal requirements demonstrated is still not consistent enough between the evaluations of compliance with the existing actual evidence.</p> <p><b>The Non-conformance NC-2011.05 is declared Open with Minor category.</b></p>	
S1		
S2		
S3		
S4		
<b>2.1.2</b>	<b>Evidence of efforts made to comply with changes in the regulations.</b>	
ST1	<p>The company has shown some evidence of efforts to adjust to changes in regulations, particularly those related to employment. <u>Example:</u> (1) compliance with changes in provincial minimum wage standard, for the period of year 2011 has met South Kalimantan Provincial Minimum Wage (UMP) based on the Decree of the Governor of South Kalimantan No. 188.44/0441/KUM/2010 (as much as 1,126,000), (2) providing occupational accident insurance (Regulation of Labor Minister No. 4 year 1993), (3) implementing a vocational school 3 (SMK) in accordance with Regulation of Labor Minister PER.05/MEN/1996 and (4 ) providing PPE in accordance with Regulation of Transmigration and Labor Minister Number PER.08/MEN/VII/2010.</p>	√
ST2	<p>Same as stage-1 where the company can show the action to update the applicable regulations that should be referred in the form of a list of regulations. The last adjustment to the regulatory changes was made in conjunction with the evaluation of compliance with regulations, which was on January 2011.</p>	√
S1		
S2		
S3		
S4		

<b>2.1.3</b>	<b>A documented system, which includes written information on legal requirements that the palm oil company should comply with.</b>	
ST1	<p>The company has a Regulatory Compliance Evaluation Check List that provides legal requirements information, description of article to be complied, the status of appraisal, description of evidence of compliance, and information. Based on the checklist, there are 47 rules referred for activities of POM, and 89 regulations referred for the operational activities of estate. Regulations evaluated, including Act No. 13 year 2003 on Labor; Government Regulation No. 18 1999 Jo. Government Regulation No. 85 year 1999 on Management of Hazardous Waste; Government Regulation No. 41 year 1999 on Air Pollution Control; Decree of Environmental Minister No. 13 year 1995 concerning the emission quality standard of not moving sources.</p> <p>Evaluation results show several legal requirements that have not been complied by the company, among others: (1) related to Article 7 paragraph (4) Decree of Environmental Minister No. 13 year 1995 concerning the obligation to submit the results of the emissions inspection to the Governor every 3 months, (2) of Article 3 paragraph (1) Transmigration Ministerial Regulation No. PER.02/MEN/1982 which requires the welders to take welding exams and have welder certificate.</p> <p><b>The Non-conformance in this indicator is NC-2011.05</b></p>	<b>X</b>
ST2	<p>The last evaluation of compliance with applicable regulations and requirements was performed in January 2011, but there has not been adequate evidence that the company has demonstrated reveals some regulations that must be complied, e.g.: Permen04/Menaker/1980 about installation and maintenance of Fire Extinguisher (APAR) condition – the compliance plan has not been determined, Article 31 of Government Regulation 18/1999 regarding the management of hazardous waste that must be sent with hazardous waste manifest, and others. <b>The Non-conformance status NC-2011.05 is declared as Open.</b></p>	<b>X</b>
S1		
S2		
S3		
S4		
<b>2.1.4</b>	<b>A mechanism for ensuring that compliance with relevant legal requirements is implemented.</b>	
ST1	<p>A staff of Legal Section explained that, the evaluation of compliance with legal requirements is done by internal audit. It begins with identifying and collecting all applicable and relevant legal requirements, and then they are compared with the implementations that have been done by the company.</p>	√
ST2	<p>Evaluation of compliance set by the company at least once a year, but the implementation of the evaluation have not been consistent enough to compare with the actual condition (see 2.1.3) <b>The Non-conformance Status NC-2011.05 is declared as Open.</b></p>	<b>X</b>
S1		
S2		
S3		
S4		
<b>2.2</b>	<b>The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</b>	
<b>2.2.1</b>	<b>Documents showing ownership or lease of the land in accordance with relevant laws.</b>	
ST1	<p>Based on the area statement it is known that the total area of PT. Paripurna Swakarsa is 16,011.97 Ha. The existing Land Use Rights (HGU) certificate currently only covers an area of 14,892 Ha No. 137/HGU/BPN/97 dated 31 October 1997 valid until 22 November 2032, so there is Land Use Rights (HGU) in the area of 1,119.97 hectares, based on Letter of National Land Affairs Agency South Kalimantan Province No. 0013/9-63/1/2010, dated 21 January 2010.</p> <p>Further verification of the remaining land of 1,514 Ha site license (planted year 2006) and Land Use Rights</p>	<b>X</b>

	(HGU) approved by the National Land Affairs Agency of 2010 covering an area of 1,119.97 Ha. <b>The Non-conformance in this indicator is NC-2011.06</b>	
ST2	<p>Cadastral Map No. D.1302 12/2008 with an area of 1,119.97 Ha is available that has been endorsed by the National Land Affairs Agency, Province of South Kalimantan dated 4 August 2008. The map is based on the Extended Site License No. 188.45/109/KUM of 2008 dated 5 March 2008 issued by the District Government of Kotabaru approving the issuance of site license an area of 1,514 Ha.</p> <p>IUP for the Land Use Rights (HGU) owned by PSA is Number: 365/2006 and Number: 188/45/388/KUM/2009. At the time before being converted into IUP, PSA has a TDP (Company Registration) No. 09031606053 dated 2 October 1989 with an area of 22,800 Ha at the time of initial proposal in conjunction with the initial site license.</p> <p><b>Non-conformance status NC-2011.06 is declared Closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>2.2.2</b>	<b>Evidence that legal boundaries are clearly demarcated and visibly maintained.</b>	
ST1	<p>There is a pole book for the 4 estates, respectively; 1). Sesulung Estate 4,609 Ha (big pole 34, small pole 152), 2). Rampa Estate 3,659 Ha (big pole 13, small pole 61), 3). Pondok Labu Estate 3,673 Ha (big pole 31, small pole 149), 4). Binturung Estate 4,072 Ha (big pole 23, small pole 88).</p> <p>Field observations indicate that there are some big poles (Pole Number) whose the marking has been deleted / the paint is peeled (e.g. big pole 20 in Division II, Block D 41) and some small poles that are not found during field inspection.</p> <p><b>The Non-conformance Status in this indicator is CFA-2011.07.</b></p>	<b>X</b>
ST2	<p>SOP of Land Use Rights (HGU) Poles Maintenance already available (PM 3001). The SOP contains about pole maintenance to be performed in a period of 6 months (per semester). The management of PSA has also had Land Use Rights (HGU) pole maintenance monitoring records and follow-up plan for improving the poles. Examples: tally sheets of monitoring in June 2011 for all estates that describe the condition of poles, the corrective action plan. The results of field observations in Binturung Estate, that there are poles as outside boundaries poles of the area of PSA with other regions are maintained in good condition.</p> <p><b>Non-conformance status NC-2011.07 is declared Closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>2.2.3</b>	<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>	
ST1	<p>Based Social Impact Analysis Report Data, it is known that there are land conflicts between residents with PT. PSA, among others:</p> <ol style="list-style-type: none"> <li>1. Pondok Labu village there are an area of ± 30 Ha</li> <li>2. Sesulung Village (the border between with Rampa Village and Sesulung Cengal village) there is an area of ± 60 Ha.</li> <li>3. In Binturung village, there is land dispute between citizens and the company related to the process of compensation, the overlap between the village residents' land with the company's land and unrealized plasma program.</li> </ol> <p>On the site, records evidence of the resolution process done is not yet available, because the Company does not know of the existence of the conflict mentioned.</p> <p>Will be verified at the time of stage 2.</p>	<b>X</b>

ST2	<p>1. <b>Pondok labu Village:</b> There are records of Meeting Minutes &amp; Attendance List of resolution of land conflicts between the management of PT. Paripurna Swakarsa with Pondok Labu Village community on 14 October 2005 (<b>document number: SE/PSA/F05.54</b>). The records contain information that the parties agreed to resolve land conflicts in the area of Division II &amp; IV Pondok Labu Estate and Division V Sesulung Estate because the KKPA project has been carried out &amp; if there are land claims and other estate operations then the resolution will be pursued through legal ways. Based on information from Head of Pondok Labu village and several village residents and community leaders that indeed there has been a land claim in Pondok Labu Village residents since 2001. Village Head &amp; some representatives of the Village already 4 times conveyed this to the District Government of Kotabaru but there is no solution. The culmination is in 2005, Sesulung village residents fenced the area of Division II &amp; IV Pondok Labu Estate and Division V Sesulung Estate so that activities at these locations were stopped. After a meeting between the parties, it was agreed that the conflict will be resolved because the plasma program / KKPA agreed between the parties will be implemented according to the plan set by the company. This is in accordance with the content of Meeting Minutes &amp; Attendance List of resolution of land conflicts between the management of PT. Paripurna Swakarsa with the community of Pondok Labu Village on 14 October 2005. KKP program in Pondok Labu village has been done since 2010.</p> <p>2. <b>Sesulung Village:</b> There is Certificate of Head of Sesulung Village dated 7 June 2011 signed by the parties (document number: <b>SE/PSA/F.05. 55</b>). The letter states that:</p> <ul style="list-style-type: none"> <li>➢ So far there is no problem of land overlap owned by Sesulung village residents with PT. PSA.</li> <li>➢ Land that is currently defined as the area of HCV by PT. PSA-Rampa Estate Block N in Land Use Rights (HGU), PT. PSA is not included in the public land / never claimed by the community.</li> <li>➢ That Sesulung Village is bordered with Sungai Sengongot in the west, which has been designated as areas of HCV by PT. PSA-Rampa Estate.</li> </ul> <p>3. There are Minutes of Meeting of Land Claim Issues between the company with residents of several villages including the representatives of Binturung village residents (<b>SE/PSA/F05-02</b>). The meeting took place on 13 October 2005, which was attended by the parties, including Muspika Kecamatan Pamukan Utara, Head of Binturung Village, residents &amp; the company. At the meeting it was agreed that the residents of Binturung village was willing to release the claims in BKE, BBE, SCE &amp; BNE after the company ensured that it would realize the development of Plasma and give some donation to communities and utilize the existing economic potential in the company through the institutional in form of Foundation or Cooperative. Plasma program is currently running, starting in 2005. However, There is a land claim, in the village Binturung that can not be settled with the program KKPA, land claims are settled by way of compensation of land through a process of negotiation. example: Replace the loss of land between the Parties Hindi Hasar Minamas management witnessed by community leaders, heads of RT and Village Heads Binturung. These records include documents: a). Proof of payment (receipt) of land compensation amounting to Rp. 20.000.000, b). Statement of Waiver of Land including land acquisition Persil Map c). Documentation in the form of photographs. On January 28, 2009. Conclusion: The conflict that have occurred can be solved by KKPA Program (PT LMR) since October 14, 2005 and with land compensation.</p>	√
S1		
S2		
S3		
S4		
2.2.4	<b>Evidence of land acquisition resolution with free prior and informed consent.</b>	
ST1	On site, there is Compensation Payment Report which contains: a). Minutes of Meeting of compensation discussion, b). Receipt of Compensation received, c). Statement of the release of land rights, d). Photographs. Will be further verified at the time of Stage 2.	√



ST2	There is documented data in the form of compensation report for PSA area. The content of the report are a). Minutes of Meeting of compensation discussion, b). Receipt of Compensation received, c). Statement of the release of land rights, d). Photographs. Based on the observations and the last sampling in 2010 it was found evidence available on resolution of land acquisition with compensation: the example of records evidence of the land acquisition approved by both parties namely between Hasar Hindi and Minamas management Party witnessed by community leaders, head of neighborhood and Head of Binturung village. These records include documents: a). Proof of payment (receipt) of land compensation of IDR. 20,000,000 b). Statement of Release of Land Rights including Persil Map of land acquisition c). Documentation in the form of photographs. On 28 January 2009.	√
S1		
S2		
S3		
S4		
<b>2.2.5</b>	<b>A mechanism to resolve conflict which is accepted by all parties</b>	
ST1	SOP Conflict Resolution is not yet available <b>The Non-conformance in this indicator is NC-2011.08</b>	<b>X</b>
ST2	There is SOP for Conflict Resolution (document number: <b>056.PSA.PK/C12</b> ) published in April 2011. The SOP has included the categorization of the types of conflict (mild, moderate & severe) and the cessation of operations in conflict areas as the direction from the authorities and the management to the workers in the field. Based on interviews with Head of Sesulung village it is stated that the Company has not socialized the mechanism or SOP of conflict resolution accepted by the parties, although until now it has not been found a conflict between the PT PSA with surrounding communities or other parties. <b>The Non-conformance status NC-2011.08 is declared Open with Category Minor.</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>2.3</b>	<b>Use of land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.</b>	
<b>2.3.1</b>	<b>Records of any negotiated agreements between traditional owners of land and plantation companies (if any), supplemented with maps in appropriate scale.</b>	
ST1	Based on a letter from National Land Affairs Agency (BPN) of Kotabaru District, South Kalimantan Province No. 000/03/KP-10, 2 September 2010 on the Status of Indigenous Rights / Communal Land, among others, it is stated that so far it is not found land with the status of indigenous rights / customary land in Kotabaru District. While the existence of other traditional rights, such as the rights of community to take and utilize natural resources through the activities of fishing, hunting, and processing, has not been clear, including in the document of the social impact assessment results and document of the results of HCV identification. With regard to the mentioned above, it is recommended that the company identifies and map out in an adequate scale of the existence of traditional rights exist within the working area of PSA. <b>The Non-conformance in this indicator is CFA-2011.09</b>	<b>X</b>
ST2	The same as stage-1, based on the letter from the National Land Affairs Agency (BPN) of Kotabaru District. South Kalimantan Province No. 000/03/KP-10, dated 2 September 2010 on the Status of Indigenous Rights / Communal Land, among others, it is stated that so far there is no land with the status of indigenous rights / customary land in Kotabaru District. Based on the report of compensation process indicated by PSA, until now there are no more complaints from the public related to land compensation process, although there is no traditional land status. In addition, in the final document of the identification of HCV (December 2009) in PT. PSA, it indicates that	√

	the traditional rights of communities have been identified and mapped in HCV 5 category of natural areas that have important functions to fulfill the basic needs of local communities, for example: Niko well located in the Division II Block C 20 Binturung Estate and Sopan Tempura water springs Div I Block C XVIII Binturung. <b>The Non-conformance status of CFA- 2011.09 is declared closed</b>	
S1		
S2		
S3		
S4		
<b>2.3.2</b>	<b>Maps of an appropriate scale showing extent of recognized customary rights.</b>	
ST1	See explanation in 2.3.1 .above	<b>X</b>
ST2	See 2.3.1 - The same as stage-1, based on the letter from the National Land Affairs Agency (BPN) of Kotabaru District. South Kalimantan Province No. 000/03/KP-10, dated 2 September 2010 on the Status of Indigenous Rights / Communal Land, among others, it is stated that so far it is not found land with the status of indigenous rights / customary land in Kotabaru District. In addition, in the final document of the identification of HCV (December 2009) in PT. PSA, it indicates that the traditional rights of communities have been identified and mapped in HCV 5 category of natural areas that have important functions to fulfill the basic needs of local communities, for example: Niko well located in the Division II Block C 20 Binturung Estate and Sopan Tempura water springs Div I Block C XVIII Binturung. The map presented by PT PSA for identified HCV has been made in an easily readable scale, identified with adequate scale. <b>The Non-conformance status of CFA- 2011.09 is declared closed</b>	√
S1		
S2		
S3		
S4		
<b>2.3.3</b>	<b>Copies of negotiated agreements detailing process of consent</b>	
ST1	See explanation above 2.3.1 .- There is no land with the status of indigenous rights / customary land in Kotabaru District and it is highly recommended that the company identifies and map out in an adequate scale the existence of traditional rights in the work area of PSA. CFA 2011.09.	<b>X</b>
ST2	There is no status of traditional land based on the letter of National Land Affairs Agency (BPN) Kotabaru District South Kalimantan Province No. 000/03/KP-10, dated 2 September 2010. Based on the report of compensation process indicated by PSA, until now there are no more complaints from the public related to land compensation process, although there is no traditional land status. In the compensation report to PSA area, it contains the explanation: a). Minutes of Meeting of compensation discussion, b). Receipt of Compensation received, c). Statement of the release of land rights, d). Documentation in the form of photographs supporting the compensation resolved. <b>The Non-conformance status of CFA- 2011.09 is declared closed</b>	√
S1		
S2		
S3		
S4		

<b>PRINCIPLE #3 COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL FEASIBILITY</b>		
<b>3.1</b>	<b>There is an implemented management plan that aims to achieve long-term economic and financial viability.</b>	
<b>3.1.1</b>	<b>A documented working plan of the company for a minimum of 3 years period.</b>	
ST1	There is Budget Presentation of 2010/2011 and Projection of 2011/2012; 2012/2013 and 2013/2014, for example: for Sesulung Estate (SSE) containing (1) Area Statement 2010/2011, (2) New Planting status, (3) Nursery Status, (4) Projection of average production in 2013/2014 is 23.78 tons / Ha with a production cost of IDR 146.92/kg and harvesting area of 15,124.004 Ha (SSE).	√
ST2	Similar to stage 1 the company has Budget Presentation of 2010/2011 and Projection of 2011/2012; 2012/2013 and 2013/2014, which contains a plan of (1) Area Statement, (2) New Planting status, (3) Nursery Status, (4) Projection of average production and production cost in IDR/kg, and harvesting area. The company also has a history of Production in Tons / Ha for each estate that inform the production fluctuation of each estate for example History in Ton / Ha of BNE from year 2002-2003 (12.10 tons / Ha), 2003-2004 (11.22 tons / Ha), 2004 -2005 (19.05 tons / Ha), 2005-2006 (20.38 tons / Ha), 2006-2007 (21.46 tons / Ha), 2007-2008 (23.68 tons / Ha), 2008-2009 ( 18.91 Ton / Ha), and 2009 -2010 (14.17). Report Management Committee informs the monthly production evaluation of each estate. For example, in the Report Management Committee in April 2011 BNE it is known that the production of 17.55 tons / Ha is higher than 15.69 in Budget in accordance with management's comments, this is due to an increase in production potential in October 2010 until March 2011. There is also Price Cost document 2010-2011 available in the form of a matrix equipped a diagram of Production and Production Costs. In the document it is known that the increased costs is in accordance with the increased production. But if there are things that are not appropriate (production costs increase but production decrease) then it needs to be evaluated.	√
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<b>3.1.2</b>	<b>Annual replanting programmed, where applicable, projected for a minimum of 5 years with yearly review.</b>	
ST1	There has been no replanting plan, the oldest plants were planted in 1994. Based on the budget presentation, Chapter of New Planting Status, replanting is declared as 'No Activity' until 2014. Variety of seed to be used is Sime Darby variety. Minutes of Receipt of germinated seeds Planting dated 28 May 2009, No. SPB BJB/BNE/09/05/0004, Sime Darby variety, 31,680 seeds. The shipper: Guthri Plantation & Agricultural Services Sdn Bhd - Malaysia. Minutes of Receipt of Sprouts Planting dated 2 July 2009, No. SPB: BJB/BNE/09/07/0005, variety of Sime Darby, number of good seeds is 41,195 seeds. Shipper: Guthri Plantation & Agricultural Services Sdn Bhd. License seed receipt from Minister of Agriculture Number: 44/Kpts/SR.120/1/2009 dated 16 January 2009 as many as 137,607 seeds.	√
ST2	There has been no replanting plan, the oldest plants were planted in 1994. Based on the budget presentation, Chapter of New Planting Status, replanting is declared as 'No Activity' until 2014. Based on SOP of estate (Agricultural Reference Manual No. 110/EST-ARM/08) it is explained that the criteria for replanting are: the age is over 20 years and the production average a year is less than 20 tons / Ha or has an average plant height of 15.1 meters. But for particular cases the policy of replanting must be examined by GM, Estate and R & D by observing thoroughly and focusing on yield. And it is explained that approval for replanting must be submitted by each estate manager to Replanting Committee at 3 years before replanting plan will be made for review and consideration. Replanting Committee is chaired by the Head of Plantation, representatives from Plantation Operations (General Managers), Plantation Advisory (Plantation Advisor),	√

	Research & Development and Finance.	
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<b>PRINCIPLE #4 USE OF APPROPRIATE BEST PRACTICES BY GROWER AND MILLERS</b>		
<b>4.1</b>	<b>Operating procedures are appropriately documented and consistently implemented and monitored.</b>	
<b>4.1.1</b>	<b>Standard Operating Procedures (SOPs) for estates, from land clearing to harvesting.</b>	
ST1	SOP of Estate is available in the form of <i>Standard Operation Procedure</i> of Minamas Plantation Indonesia, Agronomy Reference Manual No. Policy: 110/EST-ARM/08, endorsed by the CEO on 19 August 2008. The procedure consists of: <i>Planting material, Nursery technique, Replanting, Land Preparation, planting density, maturity age, field upkeep, manuring, Canopy management, management of water on costal/peat land, ablation, Ripeness standard, harvesting interval, Traceability, loose fruit collection, Plant protection.</i>	√
ST2	As in stage-1, Paripurna has 4 estates (Pondok Labu, Binturung, Rampa, and Susulung). The SOP of Agronomy Reference Manual - Oil Palm or Vademikum was distributed to all estates on 1 December 2004 and Agronomy Reference Manual with No. Policy: 110/EST-ARM/08 was endorsed by the CEO on 19 August 2008, which included the preparation (land preparation) until harvesting. That document is a guideline, which will be implemented in the field and based on interview with Pondok Labu Assistant Manager; the implementation of Agronomy Reference Manual is already adequate to be applied (as a reference). In addition of Agronomy Reference Manual as the reference, PSA also has supporting SOPs in operational activities, such as SOP of Block Manuring (Fertilization on 1 April 2010), which based on MRS No. 110/EST-ARM/08, RSPO, INA-NIWG. Another example is SOP of Concrete Harvest Point (on 1 April 2010), which referred to Minamas Vademekum (Policy 4xx/AGR-JLN/95).	√
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<b>4.1.2</b>	<b>Standard Operating Procedures (SOPs) for mills, from reception of FFB to dispatch of Crude Palm Oil and Palm Kernel Oil.</b>	
ST1	SOP of Mill is available in the form of Palm Oil Mill Technical Guidelines Part 1 – Minamas Plantation No. Policy: 110/POD-FAC/07 acknowledged by the CEO; <i>Group head plantation</i> Indonesia; contains the basics of Oil Palm processing which include: fruit receipt, sterilising, stripping, digestion, pressing, purification, Separation of seed and husk and kernel station; stockpiling of oil and palm kernel. Water Management includes: water and boiler water management, laboratory analysis which includes: boiling and beating station, press and fiber cyclone station, seed station, clarification station, waste ponds analysis, water analysis, preparation of control process and management report from laboratory. There is also Palm Oil Mill Technical Guidelines Part II – Minamas Plantation No. Policy 120/POD-FAC/07 which contains the boilers, electric generator machine, types of synchronizing generator machine, the operation and maintenance of electrical panels, supply network, electric motors and control circuit, speed reducer, grounding and lightning rod, as well as occupational safety and security. However, due to RSPO <i>Supply chain</i> requirements, it is highly recommended that PSA Mills provide the <i>Supply Chain</i> SOP which based on the applicable <i>supply chain</i> RSPO. <b>The Non-conformance in this indicator is CFA-2011.10</b>	X

ST2	<p>As in stage-1 activities, Palm Oil Mill (POM) has owned Palm Oil Mill Technical Guidelines Part I – Minamas Plantation No. Policy: 110/POD-FAC/07 from receipt until the dispatch of Fresh Fruit Bunch.</p> <p>There are also supporting documents such as the Guidelines of CPO Administration and Delivery to Bulking. To support produced CPO traceability, PSA has owned the SOP of product traceability (traceability/RSPO/4.1/KP) dated on 4 March 2009 and endorsed by Head of SOU relevant officials, estates SSE, RPE, BNE, PLE and Pondok Labu Mill on March 2009. <b>The Non-conformance status of CFA-2011.10 is stated as closed.</b></p>	√
S1		
S2		
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S4		
<b>4.1.3</b>	<b>Records of checking or monitoring of operations. Minimum requirement: once a year</b>	
ST1	<p>There is Operational Inspection Report, directly performed by Plantation advisor (PA) from Kuala Lumpur, which conducted every six months. Financial Internal Audit is conducted by Banjarbaru Representative Office every six months.</p> <p>In addition, at the local level, TQEM conducts a daily audit, minimum 10% of received FFB. Result of audit activities will be evaluated for feedback, in the form of bonuses and personal performance. This audit activity refers to the SOP of TQEM Field Assistant Work Guidelines No. 721/TQEM-PKA/08.</p> <p>Examples of audit results:</p> <ol style="list-style-type: none"> <li>1. Results of Internal Audit from Group Corporate Assurance dated on 8 February 2011, include: <ul style="list-style-type: none"> <li>- Financial Aspect</li> <li>- Inventories and Purchases of goods</li> <li>- Plant Care and Fertilization</li> <li>- Harvesting and Transportation.</li> </ul> </li> <li>2. Inspection (audit) by PWC (Price Waterhouse Cooper) is represented by Christian Setiawan for Company Financial Report, which covers the recording of company's inventory.</li> </ol>	√
ST2	<p>As in Stage 1 results, There is Operational Inspection Report, directly performed by Plantation advisor (PA) from Kuala Lumpur and Mill Advisor (MA), which conducted every six months. Financial Internal Audit is conducted by Banjarbaru Representative Office every six months.</p> <p>Evaluation and monitoring of SOP (Technical Guidelines) is also conducted by the <i>Head of Plantation Operation</i>. For example: Memorandum of Block Harvesting System Implementation as the evaluation of its implementation at several units that are not consistently well implemented based on the monitoring of fruit cutting interval. Associated with the monitoring and inspection (audit) at mill (PLF POM), which stated in the report of: Manager Report (monthly), Mill Advisor Report (per semester), and General Manager Report (monthly) Internal Audit (per semester).</p> <p>Manager Report is prepared by Mill Manager based on inspection (audit) and monitoring of production activities by the Manager for monthly accountable at Sungai Durian Pamukan GM Office at Rantau estate. Manager report contains an overview of production from the incoming of fresh fruit bunch, processed FFB, CPO/Palm Kernel production, Quality Product, oil &amp; kernel Losses, empty bunch application, effluent for land application and operational costs. E.g. Manager Report of April 2011: Capacity is 60 tons/hour, actual is 60.59 tons/hour, and on march 2011 actual is 60.32 tons/hour.</p>	√
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<b>4.1.4</b>	<b>Records of operational results</b>	
ST1	Record of the results of activities at estate and mill is available in the form of Monthly Report (Manager Report). Manager Report for estate includes: Block Harvesting System; Production; field condition; Fertilization and Stock Godown; Insertion and Completring; Pest and disease control. Application by Product; Running Account; Estate Social condition; CD and Land Security; Cost control; and declaration of Fresh Fruit Bunch production per month. Manager report for Palm Oil Mill includes the received and rejected Fresh Fruit Bunch; Processing Capacity; Production and Extraction; and delivery of CPO.	√
ST2	In addition to monthly report ( <i>Manager Report</i> ), the company also has Division Monthly Report, which prepared by estate Assistant. That Division report among others contains Area statement (Program and Realization of Insertion); Company Structure; Staffing, and Residents; Housing, Buildings, Facilities and Infrastructure; FFB production; Mature plants; Immature Plants; New plants. See 4.1.3. For Palm Oil Mill, inspection activity is recorded and stated in report, which is Manager report (Monthly), Mill Advisor Report (per semester), General Manager Report (Monthly) and Internal Audit (per semester).	√
S1		
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<b>4.2</b>	<b>Practices maintain soil fertility, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>	
<b>4.2.1</b>	<b>Record of periodic analysis activities on soil, leaves and visual.</b>	
ST1	The company already has the document of Semi Detailed Soil Survey Results at Sesulung estate (2005), Pondok Labu (2007), Binturung (2008) and Detailed Soil Survey (2008). Data and Information presented in that report include: Land Map Unit, Soil type, topography, and nutrient status of each SPL, Land Suitability Level and rainfall. All information is equipped with maps of 1:35,000 scale. In addition to that, there is also appendix of Soil Analysis Results Record, measured parameters; texture, pH, C, N, P, K, Mg, Ca, Na, BS, CEC, Al and H). Leaf Analysis Activity is conducted periodically every year. Sample of leaf was taken at each estate location. <u>Example:</u> Record of Leaf Analysis Results for Binturung Estate location. Sampling was conducted on 13 July 2010 at Block O 006 (area 58.75 hectares), year of planting 2007, and number of plant 8,024. Result of Analysis: Dust (9.09 %), N (2.54 %), P (0.153 %), K (0.019 %), Mg (0.295 %), Ca (0.658 %) and B (13.9 %).	√
ST2	Just as described at Assessment Result of ST. 1 level. Leaf Analysis Activity for year 2011 has not been implemented. Soil Analysis is implemented every 5 (five) year, the last was carried out in year 2008, the last yearly leaf analysis was carried out in July 2010. Results of Soil and leaf analysis for the determination of fertilizer recommendation which will be applied on soil; for soil is more to types of fertilizer while for leaf is more to the dose of fertilizer given.	√
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<b>4.2.2</b>	<b>Records of efforts to maintain and increase soil fertility (e.g. the use of fertilizer, legume cover crops, compost, and land applications of POME or EFB) based on the results of analysis carried out as in Point 1 above.</b>	
ST1	SOP of Fertilization ( <i>Standard Operating Procedure Block Manuring System</i> ) No. Document: AF 0802 which was already approved by SM SEE, EM BNE and EM PLE on 15 January 2010. SOP of Empty Bunch	√

	<p>Application No document: AF 0801 and SOP of Liquid Waste Utilization AF 0803 are available.</p> <p>There are Fertilization Recommendation Document year 2009 and July 2010 until June 2011 for Sesulung Estate, Fertilization Recommendation year 2009 – 2010 for Binturung estate, Fertilization Recommendation June 2010 – July 2011 for Pondok Labu estate and Fertilization Recommendation year 2009 – 2011 for Rampa estate.</p> <p>Based on review on fertilization recommendation document, fertilization recommendation (types and dose of fertilizer) applied in each estate based on soil analysis result (including types of land, leaf analysis, plant age and climate (rainfall)).</p> <p>Record of fertilization on each estate is available. Sample of Empty Bunch application record at Sesulung estate at semester 1 year 2011.</p> <p>Application Area : Program (4,328.38 Ha), realization (3,358.21 Ha),          NK BLEND : Program (1,474,805 kg), realization (1,144,241 kg)          HGF-B : Program (49,325 kg), realization (0 kg)          DOLOMIT : Program (612,731 kg), realization (0 kg)          RP : Program (620,163 kg), realization (0 kg)</p> <p>There are Plan and Realization Map of Empty Bunch application at Pondok Labu estate, Sesulung estate, Binturung estate and Rampa estate. Sample of Empty Bunch application record at Sesulung estate at semester I year 2011:</p> <p>Application Area : Program (341.83 Ha), realization (369.84 Ha) -          Applied Empty Bunch : Program (13,673.30 kg), realization (14,793.69 kg)</p> <p>Map of Palm Oil Mill Effluent application at Sesulung, Rampa and Pondok Labu estates area are available. Sample of land application record at Sesulung estate at Semester I year 2011:</p> <p>Application area : Program (126 Ha), realization (112.47 Ha)          Applied Palm Oil Mill Effluent : Program (94,500 M<sup>3</sup>), realization (85,859.30 M<sup>3</sup> kg)</p> <p>Land application license from Head of Kotabaru District No: 188.45/414/KUM/ 2009 dated on 26 August 2009 valid for 2 years is available.</p>	
ST2	<p>Fertilization Recommendation Document, which based on results of soil and leaf analysis, is available. Based on interview with Senior Assistant, it was acknowledged that result of soil analysis has been made as a base to determine fertilizer type and leaf analysis and as a base to determine fertilizer dose.</p> <p>Based on explanation from Senior Assistant of Pondok Labu estate, inorganic fertilization program is conducted every year, Empty Bunch fertilization is conducted every year with dose of 30 – 35 tons of Empty Bunch/ha/year, or 275-300 kg/stake), Effluent application is implemented every year with dose of 750 ton/year/ha; effluent application 100% from total of effluent produced by Palm Oil Mill which has passed Wastewater Treatment Plant (WWTP).</p> <p>Record of inorganic fertilization at Sesulung Estate on May 2011 is available:</p> <ul style="list-style-type: none"> <li>- NK-BLEND : Plan 212,403 kg, Realization : 448,786 kg</li> <li>- ROCKPHOSPATE : Plan 78,429 kg, Realization 187,689 kg</li> <li>- DOLOMIT; Plan 87,889 kg, Realization.</li> <li>- Total of applied area: 4,328.38 ha</li> </ul> <p>Land application realization using Empty Bunch at Sesulung Estate on May 2011. Plan 1,838 ton and realization: 2,190 ton.</p> <p>Effluent application realization at Sesulung estate on May 2011: Effluent = 18,221 m<sup>3</sup>, Number of FB 20,349 units; Rampa: Effluent: 9,334 m<sup>3</sup>, FB: 10,899 units and Pondok Labu Effluent: 7,853 m<sup>3</sup>, FB: 10,255 units.</p>	√
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S4		

<b>4.3</b>	<b>Practices minimize and control erosion and degradation of soils.</b>	
<b>4.3.1</b>	<b>Maps of fragile soils must be available</b>	
ST1	Based on review on Land Map and Topography Map and also result of land suitability level analysis, inside of PT. PSA working area there were land which classified as critical land in the form of sandy soil located at Sesulung Estate (Block U 45 and 46) with an area of 30.2 hectares, also land that contains acid sulfate soil Located at Sesulung Estate (Block N 51) Sesulung approximately with an area of 1,000 hectares, at Rampa estate (L11 to L26) with an area of 2,335 hectares, and at Binturung estate with an area of 1,100 hectares that are the area of High Conversation Value. However, those areas have not been specifically mapped with adequate scale. <b>The Non-conformance in this indicator is NC-2011.11</b>	<b>X</b>
ST2	As elaborated in result of ST1 level evaluation. Inside of PT.PSA area, there is area which classified as marginal land, which establishment is based on result of semi detailed land survey, based on document inspection; PT. PSA has mapped those entire areas into Marginal Land Map with adequate scale. The marginal land meant is sandy soil and subordinate soil (acid sulfate soil) has been mapped for related estate (See at stage-1). The displayed marginal soil map can be identified for each plant block or in adequate and readable scale. <b>The Non-conformance status of NC 2011.11 is stated as closed.</b>	√
S1		
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<b>4.3.2</b>	<b>A management strategy should exist for planting on slopes above a certain limit (needs to be soils and climate specific).</b>	
ST1	The company has owned the Sustainable Plantation Management Guideline Policy No. 724/TQEM-SPMS/09 among others contains policy of protection on Slope and area of river buffer, which referred to The Decree of President No. 32 year 1990. That guideline regulates as follow: (a) Land with slope >40% attributed as reservist area (not cultivated). When planted, it is recommended to be planted with types of forest plants. (b) Left-right of river was managed as riparian reserve. Width of big river riparian reserve is stated at 100m, while for small river is 50 m.  Topography map for each estate (Scale1:35,000), is available so that an overview of area topography condition is obtained. Sample of topography condition at Sesulung estate: 0 – 3 % (1,016.04 Ha), 3 – 8 % (566.06 Ha), 8 – 15 % (2,555.97 Ha), 15 – 30 % (184.26 Ha). Rainfall Measurement Guideline is available (No Policy: II-05/MRC-SOP/10, dated on 15 November 2010), about: PREPARATION (Tools and Materials, Ombrometer Installment), OBSERVATION (Observation method, Maintenance), REPORT and appendix of recording form of rainfall observation result. Record of rainfall measurement result on each estate is available. Average of rainfall at the entire of Pamukan area in year 2008 as much as 3,799 mm, year 2009 as much as 2,361 mm and year 2010 as much as 3,455 mm. Inside of Minamas Plantation SOP – Sustainable Plantation Management Guideline at Chapter IV about general information, Sub-chapter 4.2.4 regarding maintenance and protection of slope classifies that: Plantation area with > 40 % slope must be protected by not performing the cultivation of Oil Palm plant. While for area with slope > 8 % to < 40 %, has to be protected from erosion by implementing land conservation. Strategy established in managing land with slope > 15 % among others: Silt pit establishment, arrangement of frond with U-shape frond stacking system. Cultivation of Vertiver grass unidirectional contour, Empty	√



	<p>Bunch application, cultivation of Fern (<i>Pakis</i>), and Legume cover crop cultivation. Based on result of field observation at Sesulung estate, block Q 35 shows the existence of soil conservation at land with slope more than 15 % in the form of: Utilization of Oil Palm frond which congested in a line towards contour (frond stacking), U-shape frond stacking also by cultivating types of Fern (<i>Nephrolepis spp</i>).</p>	
ST2	<p>Management strategy for cultivation on area with certain slope with consideration of soil condition and local climate as described in the result of measurement on ST1 stage. Result of field observation at Sesulung Estate, Block Q 39 shows the existence of soil conservation on land with slope more than 15 % in the form of: Utilization of Oil Palm frond which congested in a line towards contour direction (front stacking), <i>U-shape frond stacking</i>, <i>silt pit</i> also by cultivating types of Fern (<i>Nephrolepis spp</i>). Field condition shows that the established silt pit has functioned well either for reservoir and surface flow absorption and accommodates dissolved particle inside surface flow, most of land surface are covered by <i>Nephrolepis</i> plants, so it was predicted that level of erosion has been controlled. <i>In addition to that, the presences of poles are found at field (scaled) to measure/monitor erosion.</i></p> <p>Based on data obtained from Sesulung estate since year 2007 to April 2011, number of established <i>silt pit</i> is as many as 23,963 Units and cultivation of <i>Nephrolepis</i> as width as 2,888.96 ha (74 % of TM width area)</p>	√
S1		
S2		
S3		
S4		
<b>4.3.3</b>	<b>Presence of a road maintenance program.</b>	
ST1	<p>SOP that related to Road Maintenance (No. Document 001/04/RJ/2010), that SOP has been approved by Suparmadi on 3 April 2010.</p> <p>Program Map and Road Maintenance Realization in year 2010 – 2011 at Sesulung estate location. 1 Year Road Maintenance program: 6,648 m, Collecting Road 15,512 m, realization until March of Main Road: 2,695 m, Collecting Road: 13,118 m.</p>	√
ST2	<p>Road Maintenance Techniques at PT. PSA are referred to Minamas Plantation, Manual Standard Operating Procedure, Agronomic Practice – Oil Palm, Chapter IV. Establishment and maintenance of Road and Bridge; at point 2.3 regarding Road Maintenance.</p> <p>Road Maintenance Map at Rampa estate contains the information of: types of road, road condition (Length of road with proper condition and length of road with damaged condition).</p> <p>Program Map and Road Maintenance Realization 2010 – 2011 and record of road maintenance implementation in each estate (Sesulung Estate, Binturung Estate, Rampa Estate and Pondok Labu Estate) on April 2011 are available. Samples of record of Road maintenance implementation at Sesulung estate are:</p> <ul style="list-style-type: none"> <li>- Plan : MR 554 m, CR 1,292 m,</li> <li>- Realization : MR : 90 m, CR : 1,779 m</li> </ul> <p>Field visit to Sesulung Estate, Division III (Block O 47 – 48, P 47 – 48 and O 48 – 49), and type of road that is being maintenance is CR, and equipments used are Grader, Bomaq, Excavator and TLB. Type of implemented maintenance is road paving by using sirtu (sand stone) materials and canal treatment.</p> <p>Road maintenance program among others includes:</p> <ul style="list-style-type: none"> <li>- Road solidification by using sirtu (sand stone) media, white stone and forbase (asphalt) according to type of road.</li> <li>- Maintenance of drainage canal.</li> <li>- Bridge maintenance.</li> </ul> <p>Maintenance program is made annually based on budget, where inside of road maintenance map contains the information of length of road, type of road and condition of road (proper or damaged).</p>	√
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S4		
<b>4.3.4</b>	<b>Subsidence of peat soils should be minimized under an effective and documented water management programmed</b>	
ST1	Based on Land map, at working area of PT. PSA, there's no existence of peat soil, so that there's no program related to activity of minimizing the peat soil surface depreciation.	NA
ST2	Just as the time of stage-1. Based on Land map, at working area of PT. PSA, there's no existence of peat soil, so that there's no program related to activity of minimizing the peat soil surface depreciation.	NA
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>	
ST1	<p>Sandy soils in Block V 001 of Sesalung Estate are treated by filling 2 x 1 x 0.75 m silt pits with EFB, to catch rainwater and improve soil organic matter"</p> <p>In addition to that, inside PT.PSA work area, there's an area with type of Typic Sulfaquent soil with Sulfikendoaquent, which classified as low level area and containing acid sulfate with area of approximately 3 – 4 hectares which contains Sulfuric Acid. That low level area is located at Rampak Estate (Block K-10) and Sesalung Estate. Land Management Strategy that is being implemented in managing land that contains acid sulfate is: <i>Water management</i> namely an action to prevent surface level height above pyrite layer (around 40 cm) by installing <i>Watergate</i>, cleaning and maintenance of drainage canals as well as fertilization with CIRP and CCM 65 types (on TBM land) and NK BLEND, Kieserite, RP and HGFB (on TBM land).</p> <p>Field observation which related to filling 2 x 1 x 0.75 m silt pits with EFB, to catch rainwater and improve soil organic matter implementation has been done at Block V 001 and referred to land management contains acid sulfate at Block K 10 (Sesalung state).</p>	√
ST2	<p>Based on Land Map at PT. PSA location, there are areas of sandy and low level land that contain acid sulfate. For both kinds of land, PT. PSA has strategy, which was implemented as elaborated at the result of measurement at level ST1. Where sandy area management strategy implemented through feeding and low level area management containing acid sulfate through water management.</p> <p>Management Water Map that contains the information of channel specification (Outlet, primary, secondary and tertiary channel, (type and size of each channel), channel length realization that has been made and location of water gate at each zone is available.</p> <p>Low Level Area Zoning Map is available, which contains: the location of water gate at each zone (A, B, C and D) as well as low level land width at each Division at Rampa estate. (Total of low-level area at Rampa Estate is 1,043 Ha).</p> <p>Record of the result of water surface level at channels, the implementation is done every 7 days (morning and afternoon), both outside and inside the channel. Based on information from Senior Assistant of Rampa Estate, the surface water level at canal is maintained at 60-70 cm level underground is available.</p> <p>There is a picture (graphic) of relation between number of channels made with an annual production of Fresh Fruit Bunch, where there's an increasing amount of FFB in each year with the increase of number of channel made and plant age enhancement.</p> <p>Field observation related to the management of low level area or that contains acid sulfate at Rampa Estate (Division I, Block M 21), PT. PSA established management strategy with the principle of water management through the establishment of channels (establishment of outlet, primary, secondary and tertiary), equipped with water gate to control the surface water level at the channel. Based on information from the Senior</p>	√

	<p>Assistant of Rampa Estate, the maintenance of channel is done through sediment/silt dragging as a step of acid sulfate leaching every 2 – 3 years. Field condition shows that channels are well maintained and the Oil Palm is growing well.</p> <p>As for sandy soil using the filling 2 x 1 x 0.75 m silt pits with organic materials such as oil palm leaf midrib and Empty Bunch in order to improve the soil fertility.</p>	
S1		
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<b>4.4</b>	<b>Practices maintaining the quality and availability of surface and ground water.</b>	
<b>4.4.1</b>	<b>Protection of watercourses and wetlands, including maintaining and restoring appropriate riparian reserve buffer zones at or before replanting.</b>	
ST1	<p>SOP that related to River Waterways Area, which endorsed by the Chairman of SOU on 3 April 2010 is available. The SOP refers to Act No. 07 year 2004 regarding Water Resources, Decree of the President No. 32 year 1990 regarding the Management of Sanctuary, PP year 2000 no. 150 regarding Land Degradation Control for Biomass Production, Agricultural Reference Manual (No. Policy 110/Est-ARM/08) and Memorandum POD-UM-061/IV/2010 regarding the management and monitoring of High conservation Value.</p> <p>Procedure of Management, which directed to the above mentioned SOP includes: River <i>Buffer zone</i> should mark by boundary pole and monitoring and maintenance on it should be implemented. They should be no chemical treatment on handling the planted <i>Buffer zone</i>; circle chemical spraying should not be done. Gradually planting woody plants at the area of riparian reserve, prohibition for people to take riparian reserve's sand, within the Oil palm plantation area.</p> <p>Its implementation consistency will be verifies further at <i>Stage 2</i>.</p>	√
ST2	<p>Result of field observation at Binturung River in BNE, found some boundary poles of river Buffer Zone (River bank) in the form of a yellow wooden peg about 50 meters from riparian reserve. There were also buffer zone name board; advisory board to maintain the riparian reserve and planting activity has been carried out with the type of Mahogany, Sungkay and Gelam.</p> <p>PSA has also developed cultivation for woody plants (Cashew, Chempedak, Mahogany, <i>Melaleuca cajaputi</i> (gelam) and Jackfruit) to support the planting of empty land at riparian reserve, reservoirs and springs.</p>	√
S1		
S2		
S3		
S4		
<b>4.4.2</b>	<b>An implemetation water management plan</b>	
ST1	<p>In the implementation report of Environmental Management Plan/ Environmental Monitoring Plan, efforts (program) which have been implemented for Water Treatment Program is elaborated, among others: the management of wastewater through Wastewater Management Plant (WWTP), maintenance of outlet canals and maintaining the water lever stability and also the use of fertilizers or pesticides according to the technical standards of cultivation.</p>	√

	For monitoring the ground water quality, the company has made monitoring wells at the area of mill's liquid waste application land and surrounding the housing. The company has conducted water quality testing for domestic household needs in accordance with the applicable regulation, which is Government Regulation 82/2001 regarding Water Quality Management and Water Pollution Control, also Regulation of the Minister of Health no. 416/1990, about The Requirements and Management of Water Quality. Record of water quality testing is attached in the Report of Environment Management and Monitoring, period I (January – June) year 2010.	
ST2	<p>Waste water Management at Palm Oil Mill in the form of Wastewater Management Plant (Wastewater pond with 10 pools, which consists of raw effluent, cooling, (sludge oil, if any), mixing pond, aerobic, anaerobic and application to land application. The daily condition and analysis of PH on each pool is noted and recorded; and monthly for the external analysis to Baristan (Research and Standardization Agency), for example the April sample (report in May 2011) the last pool pH 8.66, BOD5 456 mg/l (Note: Inlet pool BPD5 23,940 mg/l). Another form of observation records are:</p> <ul style="list-style-type: none"> <li>- Monitoring wells (3 points) monthly, example: pH 7.71, BOD 4.53 mg/l, COD 9.71 mg/l, TSS 37 mg/l, Ammonia 0.003 mg/l, Pb &lt; 0.001 mg/l;</li> <li>- Record of reservoir water at POM: BOD 11.40, COD 22.42, ammonia 0.051, TSS 39 (before process), and after process BOD 7.2, COD 15.84, Ammonia 0.028, TSS 35.</li> <li>- There's no river around mill except at Binturung Estate (Binturung River).</li> </ul> <p><u>Note:</u> For the measurement of river water quality (example : Binturung River) and reservoir of each estate, there's no evidence of water quality measurement, although there was water management program through the installation of buffer zone and PSA already has measurement plan on June 2011 and December 2011.</p> <p><b>The new Non-conformance in this indicator is NC-2011.36 with Minor category.</b></p>	<b>X</b>
S1		
S2		
S3		
S4		
<b>4.4.3</b>	<b>Monitoring of effluent BOD</b>	
ST1	Based on information from staff of PT. PSA, monitoring (laboratory test) of BOD towards the quality of liquid waste at mill is conducted periodically every 3 months. Test performed by Laboratory of Commodity and Environment Testing – Research and Industry Standardization Centre Banjarmasin.	√
	<p>Examples of Test Results:</p> <ol style="list-style-type: none"> <li>(1) January 2011 (No. 0089-PU/CU/BPKIM/BRSBB/01/2011), Location Code P. 4132 (Application pond No. 10) with result: the content of BOD is 288.0 mg/l.</li> <li>(2) March 2011 (0732-PU/CU/BPKIMI/BRSBB/03/2011), Location code P. 437 (Application pond No. 1) with result: the content of BOD is 346.680 mg/l.</li> </ol> <p>Result of measurement showed a higher content of BOD<sub>5</sub> than NBM defined by the Decree of the Minister of Environment No. Kep. 51/MENLH/10/1995 dated on 23 October 1995 (at 250 mg/l). Evaluation record and corrective actions taken will be verified further at Stage 2.</p>	
ST2	For Pondok Labu POM, PT. PSA has performed monthly analysis of WWTP liquid waste at Baristan (Research and Standardization Agency) Banjarbaru, South Kalimantan, for example, sample of April (report of May 2011), last pond pH 8.66, BOD5 456 mg/l (Note: Inlet pool BOD5 23,940 mg/l) and is still in accordance with the requirements of WWTP Standard Quality License (Decree of District head No. 188.45/414/KUM/2009 dated on 26 August 2009) for land application which is 5,000 mg/l and pH ranges from 6 - 9.	√
S1		
S2		
S3		

S4		
<b>4.4.4</b>	<b>Monitoring of mill water use per tonne of FFB</b>	
ST1	The company has owned the daily record of water use for mill per ton of Fresh fruit bunch. Efficiency level of water use compared with the budget (plan) of water use per ton of Fresh Fruit Bunch. For example: actual water use period of January-December 2010 is 0.77 M <sup>3</sup> /ton FFB. While water use plan is 1.1 m <sup>3</sup> /ton FFB.	√
ST2	Water used which noted in POM process including the use of processed FFB. Recording was made at any time and also stated in Manager Report (monthly), then result of calculation of water use for mill per ton of FFB were analyzed and summarized for further action, for example: Data Manager report April 2011, the use of water as much as 21,432 Ton and processed FFB 26,385 Ton FFB, the ratio of usage per FBB 0.81 (ton of water/ ton of FFB), budget or standard 1.10 (it is in accordance with the budget)	√
S1		
S2		
S3		
S4		
<b>4.5</b>	<b>Pest, disease, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</b>	
<b>4.5.1</b>	<b>An IPM plan is documented and current</b>	
ST1	<ul style="list-style-type: none"> <li>• IPM Program is available in several procedures, as follow:               <ol style="list-style-type: none"> <li>a. Manual agronomic Practices (No. Policy 9xx/PTK-HPT/2004) – Beetles pest Control by <i>Mucuna SP legume</i> planting, <i>hand packing</i> action, <i>Curater 3G</i> insecticide , or the spraying of pathogens <i>Metharizium anisopilae</i> fungi and <i>Baculovirus oryctes</i> virus in the hatching place of eggs and larvae. <u>For example</u>: Control using <i>Sex Pheromone</i> done to reduce the population in used area which will be replanted and as control of population at the area of attack, 1 unit of trap of <i>pheromone</i> for 5-10 hectares of attack area.</li> <li>b. Bagworm and nettle caterpillar Control (No. Policy: 110/EST-ARM/08 part 16.2) of which describes the action of pest population monitoring, <i>beneficial plant</i> cultivation with ratio of 60% <i>Cassia cobanensis</i>, 20% <i>Antigonon leptosus</i>, and 20% <i>Turnera subulata</i>.</li> <li>c. Rats Control (No. Policy: 110/EST-ARM/08 part 16.3), through the giving of poisoned bait using <i>warfarin</i> poison (for level of attack that exceeds 5%), utilization of barn owl (No. Policy: 110/EST-ARM/08 part 16.3.1)</li> </ol> </li> </ul>	√
ST2	in additional to document seen at ST1 Program of Integrated Pest Management, among others: <ul style="list-style-type: none"> <li>• Program and realization of beneficial plant cultivation for each estate.</li> <li>• Program and Realization of Barn owl nest Box addition.</li> </ul> Monitoring program of Pest and Plant's disease Census which is done every 6 months.	√
S1		
S2		
S3		
S4		
<b>4.5.2</b>	<b>Monitoring extent of IPM implementation including training</b>	
ST1	The company has owned the record of Pests and Diseases monitoring, which describe the monitoring area, number of census stake, types of pest (e.g.: nettle caterpillar, bag worm, Rats, Termites, oryctes,	X

	<p>ganoderma, barn owl monitoring and realization of <i>Benificial Plant</i> cultivation).  Based on monitoring result document on July 2010 until February 2011, it is obtained that during that time interval the presence of pest attack (for all types, include: nettle caterpillar, bag worm, oryctes and Termites) is not identified. Foreman of SSE (Heri) asserted that there's no sign of pest found on July 2010-February 2011.  For the implementation of barn owl monitoring, there was an in adequate information regarding the monitoring of barn owl (period of July 2010 – February 2011) at Sesulung Estate, that showed a stable data (or constant), i.e. the number of adults 24; the number of eggs 13; number of chicks 8; and adults 24.  <b>The Non-conformance in this indicator is NC-2011.12</b></p>	
ST2	<p>The company has owned the record of Pests and Diseases monitoring, which describe the monitoring area, number of census stake, types of pest (e.g.: nettle caterpillar, worm bag, Rats, Termites, oryctes, ganoderma, barn owl monitoring and realization of <i>Benificial Plant</i> cultivation).  Based on monitoring result document on April and May 2011, it is obtained that during that time interval there's no presence of pest attack identified.  Based on the result of monitoring to Barn Owl growth on April and May 2011, showed the changes of barn owl population. From data of monitoring on April 2011, it was obtained that number of barn owl's eggs are 13 eggs, chicks 6, juveniles 9, adult 17 and on May 2011 the population of barn owl tend to decrease as known number of barn owl's eggs 4, chicks 0, juveniles 16 and adult 10. Based on result of interview with the Assistant of SSE estate, it is known that the cause of it is the migration of barn owl to the new location which predictably due to the lack of Nest box. This is in accordance with the evaluation of SSE Barn Owl Growth that showed that the percentage of occupancy &gt; 70%, thus considered necessary to perform the activity of nest box addition. The making of 35 nest boxes has been programmed for the nest box addition program for Budget 2011/2012 (July 2011-June 2012)  Evaluation program of Integrated Pest Management which is the result of monitoring analysis of PHT Program implementation is available. That evaluation showed the follow-up recommendation and the determination of further program.  Training of Pests and Diseases Census Implementation is available. For example the Training of Pests and Diseases Census Implementation on 09 November 2010 at Division office, this was attended by Foreman I, Census Foreman and Census employee. And based on interview with PHT Foreman (Hadran) and Census Employee (Rohima and Nurhayati), it was known that people who involved in PHT Program understood the working procedure of their duty. For example the technique of plant sampling and Pest Calculation.  The company has beneficial plants nursery location (Turnera and Antigonon plants). For example nursery at BNE which located at nursery land. Nursery with 400 seeds has been implemented on that land and Antigonon plants seedlings have been prepared for it.  Based on result of visit to Block H 38 PLE, it is known that the implementation of cultivation has been done for that block at the side of the road 1,000 meters long. Beneficial Plant Maintenance at Block E20 and 21 BNE in the form of manual cleaning weeds and fertilization with Oil Palm empty bunch. <b>The Non-conformance Status of CFA-2011.13 is stated as Closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.5.3</b>	<b>Monitoring of pesticide toxicity units (a.i. /LD 50 per tonne of FFB or per hectare)</b>	
ST1	<p>The company has shown the record of Pesticide Toxicity Monitoring for all pesticides used, it advisable to arrange the record of pesticide based on types of pesticide.  <b>The Non-conformance in this indicator is CFA-2011.13</b></p>	X
ST2	<p>The company has shown record of Pesticide Toxicity Monitoring in the form of matrix of pesticide used per hectare (active ingredient/hectare) per month for all pesticide used in each estate. Record of pesticide</p>	√

	<p>toxicity based on types of pesticide (Pesticide Brand)  <u>For example:</u> the use of Prima Up pesticide with Glyphosate active ingredients (25%) in SSE during May is as much as 531 liters for an area of 1,770 Ha; use per hectare as much as 0.3 Liter/Ha; active material/ha is 0.075 liter/ha. <b>Non-conformance Status of CFA-2011.13 is stated as Closed.</b></p>	
S1		
S2		
S3		
S4		
<b>4.6</b>	<p><b>Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.</b></p>	
<b>4.6.1</b>	<p><b>Evidence of use of only approved and registered agrochemicals permitted by the relevant authorities</b></p>	
ST1	<p>The company has the document of chemical materials used, in the form of matrix, which describes Pesticide Brand, active ingredients and Registration No. For example:</p> <ul style="list-style-type: none"> <li>• Garlon 480 EC, Triklpir active ingredients No. Registration RI. 695/8-2003</li> <li>• Decis, Deltametrin active ingredients, No. Registration : RI. 387/11-2002/T</li> <li>• Basta, amonium Glufosinat active ingredients, No. Reg: RI. 1113/12-02008/T</li> </ul> <p>But there were several pesticides which registration numbers have not been recorded, e.g. Ally 20 WDG.  <b>The Non-conformance in this indicator is CFA-2011.14</b></p>	X
ST2	<p>The company has the list of chemical ingredients used by PT.PSA in the form of matrix which describes Pesticide Brand, active ingredients and Registration number (License registration No from relevant authorities). Among others:</p> <ul style="list-style-type: none"> <li>• Ally 20 WDG Metil Metsulfuron active ingredients No. Reg. RI 857/8-99/T</li> <li>• Sterane, fluroksipir active ingredients, No. Reg. RI 854/8-99/T</li> <li>• Kenlon, Triklpir Butoxide, Ethyl ester active ingredients, No. Reg. RI 2433/5-2006/T</li> <li>• Prima up, Isapropilamina Glyphosate active ingredients , No. Reg. RI. 1779/11-2007/T</li> </ul> <p><b>The Non-conformance Status of CFA-2014 is stated as closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>4.6.2</b>	<p><b>Records of pesticide use (including active ingredients used, area treated, amount applied per ha and number of applications).</b></p>	
ST1	<p>Record of pesticides used has been available at the site, among others informing the Trademark, Active ingredients, Active ingredient content, LD-50 (not all pesticides' LD-50 are registered), Pesticide Nature and OPT target. <u>For example:</u> list of chemical used in Binturung Estate are as follow:</p> <ul style="list-style-type: none"> <li>• <i>Ally 20 WDG</i>, Metsulfuron Methyl active ingredients, active ingredients content 20%, LD 50&gt;5000 mg/kg, Systemic Nature , OPT Target: weeds of broad leaves.</li> <li>• <i>Basta, Aluminium Glufosinat</i> active ingredients, active ingredients content 150 g/l, LD 50&gt;1730 mg/kg, Systemic Nature, OPT Target: weeds of narrow and broad leaves.</li> <li>• <i>Klerat, Brodifacoum</i>, 0.002 Mg / m3, &gt; 10 g/kg, systemic, rats.</li> </ul> <p>Frequency of chemical used in period July 2010-February 2011 was recorded in the document of realization and maintenance, as follow:</p>	√

	<ul style="list-style-type: none"> <li>• Eradication (cleaning) of weeds every 1 semester (Based on area width, Number of man days, Amount of ingredients used, for example: Weeds cleaning at Sesulung Estate Afdeling 1 Block J18 which being programmed on February on 41.23 hectares area and was accomplished on March on 41.23 hectares area, with number of man days 10 and ingredients used was Prima Up as much as 4.12 liters).</li> <li>• Circle and Harvesting Path Chemical Spraying (<i>Piringan Pasar Rintis</i>), 3 times a year, for example: Weeds control on Rintis Market Plate at Sesulung Estate Division 1 Block K018 on October above the area of 27.16 hectares, Number of man days 11 and active ingredients used are Prima Up 4.44 liters, Meta Prima 0.09 liter and review (control) was planned to be held on June.</li> <li>• Weeding Spraying once a year (for example in Block J 018, Division 1 Sesulung estate, On July, on 41.23 hectares area, man days 21 and active ingredients used are Meta Prima Up 1 liter and Kenlon 24.00 liters).</li> </ul> <p>And insecticides and fungicides are no longer used, since based on result of monitoring there were no pests and diseases attack.</p>	
ST2	<p>Record of pesticides used has been available at the site, which among others informing Trademarks, Active ingredients, content of active ingredients, LD-50 (not all pesticide's LD-50 was recorded), Nature of pesticide, Target OPT, the use of pesticide/hectare and active ingredient/hectare, Frequency of pesticides application can be seen in the document of realization and maintenance. Where the use of herbicides are in the form of:</p> <ul style="list-style-type: none"> <li>• Weeds Eradication every 1 semester (Based on area width, number of man days, and amount of ingredients used).</li> <li>• Circle and Harvesting Path Chemical Spraying 3 times a year.</li> <li>• Weeding Spraying once a year.</li> </ul> <p>Analysis of Herbicides used in 2010 and 2011 is available. It can be acknowledged that from result of analysis, the use of herbicides has been increased. From further evaluation, it was discovered that the cause of the increasing number of herbicides used is the condition of rainfall in year 2010 (High rainfall). This increased weeds population and growth, resulting in some increase of rotational spraying.</p> <p>As for the use of pesticide and herbicides are no longer practiced since based on monitoring result, pests and diseases attack are not found.</p> <p>Records of Herbicide used in year 2009/2010 and 2010/2011 are available in the form of matrix of herbicides used per year. From these data, further the evaluation of herbicides used is implemented, for example Prima Up Herbicide in period of July 2009 – June 2010 were used as much as 2,756 liter/year and total of herbicides used from July 2010 – April 2011 are as much as 2,585.95 liters.</p> <p>While the use of Prima Up at the same period last year (July 2009 – April 2011) was as much as 2.331,5 liters, then based on the data it is done evaluation of the cause of the increasing number of pesticide used where there were some increase of rotational spraying due to the fast growing of weeds population as the result of high rainfall was evaluated. It is avoidable since there's no effective solution to replace herbicide as weeds control.</p>	√
S1		
S2		
S3		
S4		
4.6.3	<p><b>Documentary evidence that usage of agrochemicals 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></p>	
ST1	<p>The company already has MSDS document for each chemical ingredients translated into Bahasa Indonesia and made as the reference for application on field. (See also explanation on 4.6.2 and 4.6.3 above), The company also has shown evidence of training for spray workers at PT.PSA in the form of Attendance list, among others:</p> <ul style="list-style-type: none"> <li>• Training on the importance of using PPE sprayer on 23 February 2011 at Sesulung estate which was</li> </ul>	√



	<p>attended by 15 participants, list of attendance is available and conveyed by Sesulung estate Assistant.</p> <ul style="list-style-type: none"> <li>• Socialization of herbicide safety use at Binturung estate, which was attended by 20 participants on 20 March 2011 By Mr. Sofyan (Binturung Estate Assistant).</li> <li>• Implementation of Training/Direction of Herby Micron Sprayer Equipment at Block C005 Division II Binturung Estate on 1 January 2011 by Mr. Sofyan Edi.</li> </ul> <p>In addition to that, based on information from the company staff, Regular Briefing is conducted every morning, which among others explained the spraying techniques.</p>	
ST2	<p>The company already has MSDS document for each chemical ingredients translated into Indonesian language and made as the reference for application on field. (See also explanation on 4.6.2 and 4.6.3 above),</p> <p>The company also has shown evidence of training for spray workers at PT.PSA in the form of Attendance list, among others:</p> <ul style="list-style-type: none"> <li>• Implementation of Training/Direction of Herby Micron Sprayer Equipment at Block K 20 Rampa Estate on 11 October 2010 by Mr. Charles Wunga.</li> </ul> <p>Based on interview with spray worker at Block J050 BNE, it is obtained that the spray workers acknowledged the correct techniques and ways of spraying based on result of training and briefing from spray foreman.</p> <p>As for types of pesticide used for spraying on an activity was determined by instructions from Estate Assistant during morning briefing. As related to company policies, the spray workers understand that it's not allowed to spray plants, which have signs of yellow paint and are not allowed to spray beneficial plants (Antigonon, Turnera, and Nephrolepis).</p>	
S1		
S2		
S3		
S4		
<b>4.6.4</b>	<b>Waste materials from agrochemicals including pesticides containers are properly disposed in accordance with laws and regulations.</b>	
ST1	<p>SOP of the management of Hazardous and Non Hazardous waste which was endorsed on April 2010 page 15 which explained the management of chemical material packaging, management at operational unit are:</p> <ul style="list-style-type: none"> <li>• Wash and rinse the chemicals packaging three times.</li> <li>• Punch a hole at the bottom of chemicals plastic packaging.</li> <li>• Collect them in preparation area defined (Licensed warehouse at POM with 4x2x3 M area in accordance with the Decree of Kotabaru District head No. 188.45/127/KUM/2011).</li> <li>• Coordination with collector (scavenger) for recycles.</li> </ul> <p>Consistency in implementation will be verified further at <i>Stage 2</i></p>	√
ST2	<p>Based on the result of visit to the storage of hazardous material waste, it can be known that the management has implemented the SOP of Hazardous and Non Hazardous wastes management. At the site there are storage rooms of Hazardous and Non Hazardous materials, which have been built (accomplished 20 May 2011). Inside Hazardous Material Storage Room the packaging of pesticide which has been hollowed out underneath are stored. In addition, there is recording (monitoring) of incoming-outgoing Hazardous waste to storage.</p> <p>Storage room of Hazardous waste is still in the process, pesticide license process has been done by Mr. Ginting and Mr. Ayub, which were assigned by The Chairman of SOU (based on Letter from SOU No.135/SOU-Int/VI/2011). Hazardous material waste will be submitted to the related licensed parties</p> <p>At Palm Oil Mill (POM) the company already has the license of temporary hazardous material storage for District head of Kotabaru (No188.45/127/KUM/2011 dated on 08 March 2011), valid for 5 years.</p> <p>At the visit to Palm Oil Mill (POM) at the location of Hazardous waste Temporary Storage Location, hazardous waste will be collected and controlled by recording its type and volume such as: types of</p>	√

	Hazardous material waste, used batteries, used oil, used Oil Filter, Wipe Dust Cloth (Oil Contamination), including used packaging of chemicals. Particularly for used chemicals packaging, packaging will be damaged by giving some holes or torn at the bottom, then it will be sent to licensed supplier.	
S1		
S2		
S3		
S4		
<b>4.6.5</b>	<b>Documentary evidence that use of chemicals categorized as World Health Organisation Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions, and paraquat, is reduced and/or eliminated.</b>	
ST1	<p>There is Memorandum from <i>Head Plantation Operations</i> regarding the recommendation of <i>Paraquat – Gramoxone</i> active materials replacement at <i>Minamas Plantation</i> dated on 8 October 2008 No. POD-UM-0110/X/2008. It states that estate that has stock of Paraquat active materials has implemented recommendation of the research correctly and spends the stock as quickly as possible.</p> <p>Based on Central Warehouse Card, Goods Code 31202014 (Graxomone with Paraquat active material), it is known that the last usage was on 26 June 2009 for Division 03 SSE. And based on list of Chemicals used in PSA (See explanation 3.6.1 above) there is no presence of chemicals which classified as pesticides that are banned according to the applicable regulations in Indonesia. (Regulation of the Health Minister No. 01/Permentan/OT. 140/1/2007).</p>	√
ST2	<p>Based on the result of observations it is found pesticides which are classified at type 1A or 1B WHO, those pesticides are Decis (Deltamethrin active material) and Klerat (Brodifacum active material). But in the operations, PT. PSA had no longer used those both pesticides. The company's commitment to not using those pesticides is based on a memo from unit manager to not to use Decis and Klerat pesticides. Stocks were only stored in the warehouse, in the future, removal will be proposed to the management. For example Memo from Sesulung Manager (No. 107/SSE-Intrn/V/2011/s) regarding the confirmation of Decis Insecticide usage ban.</p> <p>The use of Decis and Klerat is considered as not necessary since the control of rats and nettle caterpillar has been effectively accomplished through the implementation of Integrated Pest Management (cultivation of beneficial plants to control nettle caterpillar and Barn Owl for Rats).</p>	√
S1		
S2		
S3		
S4		
<b>4.6.6</b>	<b>Records of the results of health check-up for those who apply agrochemicals.</b>	
ST1	<p>There is record of periodical medical screening monitoring for high-risk job, types of estate spray team at Sesulung Estate, Pondok Labu estate and Binturung estate which implemented monthly by health nurses. For example: Arbaniah, medical screening on February 2010, Weight (50 kg), Blood pressure (100/80 mmhg), pulse (60 /Minute), Body Temperature 36°C, Respiration 22 time/minutes, hearing: good, health information: normal. And on March 2011 on behalf of Arbaniyah Weight 50 kg, blood pressure 120/70 mmhg, pulse 60/menit, body temperature 36°C, hearing: good, health information : Normal.</p> <p>There is record of periodical health screening monitoring for high-risk job, Types of Estate Spray team Work at Binturung Estate and Pondok labu estate which conducted every month by estate doctor. For example :</p> <ul style="list-style-type: none"> <li>• Medical Screening for MHS SSE Spray Team on behalf of Roinah 32 years old, blood pressure 120/80 and weight 42 kg on 11 July 2010.</li> <li>• Medical Screening for MHS SSE Spray Team on behalf of Roinah 32 years old and, blood pressure 110/70 and weight 42 kg on 15 October 2010.</li> </ul> <p>Conformity of check up objects with their work field will be deeply verified further at Stage 2.</p>	√

ST2	<p>Based on the results of visit and interview with Estate medical Officer (Mrs. Rina) at BNE polyclinic, it was known that medical screening was done by Doctor. Medical screening for spray workers is conducted every month. Medical screening was conducted in the form of blood pressure, heart rate, weight, body temperature, respiration and further medical screening based on employee's complaints. Last medical screening was done on 1 June 2011 at Division 1 BNE.</p> <p>Based on the interview with spray workers, it was known that the implementation of the routine periodical check up was conducted. However based on the interview with the head of agrochemicals warehouse (pesticide), it is known medical screening has not been carried out for those workers. Regarding this matter, it is recommended for the company to hold a medical screening for those workers including the head of agrochemicals warehouse. <b>The Non-conformance in this indicator is CFA-2011.37</b></p>	x
S1		
S2		
S3		
S4		
<b>4.6.7</b>	<b>Records showing that no work with pesticides for pregnant and breastfeeding women.</b>	
ST1	<p>Foreman Activities Book (BKM), which among others, informs the condition of workers in that section is available, including information on women workers pregnancies. <u>For example:</u> at book of Spraying Maintenance Foreman (0207) Division II, there was result of medical screening on 20 June 2010 from Zaeni (Midwife/Nurse), which stated that Mrs. Susanti (Spray Worker) was positively pregnant. Referred to that matter, she has to be assigned to type of job with code 0206 (Plants maintenance works that are not associated with chemicals, such as caring and cultivating <i>beneficial plant</i>) since 22 June 2010.</p> <p>Result of the interview with spray Foreman (Mrs. Fitri) at Block 045 SSE, confirming that her member who are pregnant and in breastfeeding condition will be transferred to type of work with code 0206 (Plants maintenance works that are not associated with chemicals, such as caring and cultivating <i>beneficial plant</i>)</p>	√
ST2	<p>The company showed the medical checkup result letter from the company's medical officer, for example medical checkup by estate SSE medical officer (Zaeni) on 3 June 2010, which stated that the mentioned worker was pregnant. From that medical checkup result, it was recommended that the mentioned worker should be assigned at low-risk work and unrelated with chemicals to prevent unavoidable things, which are not desirable. As the follow up of information letter from the company's medical officer, the company showed the foreman record result inside foreman book which informs that Mrs. Susanti, worker of Division II SSE, Corridor No. 0207 since 4 June 2010 moved to corridor 0206 (Type of work is Turnera maintenance). And based on Foreman activities book, it was known that Mrs Susanti has gotten H2 leave (maternity leave) since 1 December until 2 March 2011, and Mrs Susanti began to work again and conducted a fruit loose peeling. This indicated that the company does not employ women who are pregnant and in breastfeeding condition for spraying activities.</p>	√
S1		
S2		
S3		
S4		
<b>4.7</b>	<b>An occupational health and safety plan is documented, effectively communicated and implemented.</b>	
<b>4.7.1</b>	<b>Evidence of a documented occupational safety and health (OSH) policy and its implementation.</b>	
ST1	<p>Occupational Health and Safety Program Policies, among others are listed in the document of Sustainable Plantation Management Guidelines No. Policy 724/TQEM-SPMS/09 on 8/27/2010 as follow :</p> <p>(1) To formulate, establish and implement the occupational health and Safety System.</p>	√

	<p>(2) Staff employees are trained according to their competence and work field.</p> <p>(3) Implementing Laws, Government Regulations and Regulations established by Indonesian upstream regarding Occupational Health and Safety and code of ethics adopted in the Indonesian upstream plantation operations.</p> <p>(4) Continually improving the performance of Occupational Health and Safety.</p> <p>The implementation shown, among others is performing safety briefing which covers the establishment of Occupational health and Safety Company Structure in each estate and mill, conducting <i>safety briefing</i> and PPE implementation.</p> <p>Advisory committee of Occupational Health and Safety Company for Binturung Estate, among others, consists of Chairman (Bambang Yuwono), Secretary (Fahmi Handoko). That company had not been ratified by the competent authority (Department of social welfare, Labor and Transmigration of South Kalimantan). Advisory committee of Occupational Health and Safety company at Pondok labu POM: Chairman (Mujiono), Secretary (Sukino), has been endorsed by the Agency of Labor and Transmigration of Kotabaru District No. Kep-061/P2K3/Disosnakertrans. Minutes of the result of Advisory committee of Occupational Health and Safety meeting are available.</p>	
ST2	<p>Palm Oil Mill Work program is made within 1 year, for example in 2011, was made by the secretary of Advisory committee of Occupational Health and Safety and was approved by the head of Advisory committee of Occupational Health and Safety.</p> <p>Programs made by Palm Oil Mill are: Safety briefing to all visitors/contractors, inspection or audit of Occupational health and safety (OHS), monitoring of compliance with PPE use, monitoring of lock out tag out (LOTO) system in control panel room, OHS regular report to Ministry of Labor. As for each estate, there was Safety Work Program for Officer which consists of program of safety briefing activities, PPE inspection on each worker, socialization of PPE usage, Training of Advisory committee of Occupational Health and Safety.</p> <p>Plan or program of Advisory committee of Occupational Health and Safety at the mentioned Palm Oil Mill and estates are reported in the form of monthly report and/or per 3 months.</p> <p>Several reports such the monitoring of work accidents (estate and POM), inspection of equipments of occupational health and safety, can be shown in a period of one month. But as for estates, it has not been fully able to show documented report of occupational health and safety program implemented, for example: report of 3 (three) months to Agency of Labor that describes the implementation of Advisory committee of Occupational Health and Safety according to defined program. <b>The Non-conformance in this indikator is NC-2011.38 with minor category.</b></p>	√
S1		
S2		
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S4		
<b>4.7.2</b>	<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>	
ST1	<p>The company has established the company of Advisory committee of Occupational Health and Safety for estate and mill. Advisory committee of Occupational Health and Safety company for Binturung estate is consisting of: Chairman (Bambang Yuwono), Secretary (Fahmi Handoko), all personnels who are still active as the employee (worker) of PSA. However, that company has not been endorsed by the authorized agency. (Agency of Social Welfare, Labor and Transmigration of South Kalimantan).</p> <p>Tentative Schedule of Advisory committee of Occupational Health and Safety and realization of Advisory committee of Occupational Health and Safety meeting is available at the site, for example at Binturung Estate : plan of meeting at 4<sup>th</sup> week (December 2010) was implemented on Sunday, 1 January 2011 at the meeting room of BNE office.</p> <p>Advisory committee of Occupational Health and Safety at Pondok Labu POM: Chairman (Mujiono),</p>	X

	<p>Secretary (Sukino) has been endorsed by Department of Labor and Transmigration of Kotabaru District No. Kep-061/P2K3/Disosnakertrans. Minutes of Document of Advisory committee of Occupational Health and Safety meeting result is available, but not its recapitulation.</p> <p>Fire Fighting Team Structure is available in each estate as in Sesulung estate, which consists of: Chairman (Suparmadi), Vice Chairman (Arifin Zais), Filing (Slamet A) with 6 coordinators and each coordinator has 6 members.</p> <p><b>The Non-conformance in this indicator is CFA-2011.15</b></p>	
ST2	<p>Personnel who is responsible for Advisory committee of Occupational Health and Safety at POM is in accordance with the Structure of Company (14 January 2010) which chaired by POM Manager (Bp. Mujiono) and Secretary of Advisory committee of Occupational Health and Safety (Sukino), Occupational, Health and Safety (OHS) auditor (Untung M Sholeh), Section of Health and Work Environment (Firman Suleaman), Section of Mechanic and Electric (Anang), Section of Fire Fighting (Partono), and Section of Boiler (Yoeda). Regular meeting is held every 3 months by POM, for example: January 2011, April 2011 and further issues that raised, follow up action and person in charge of completion time will be discussed.</p> <p>For example: on January 2011, discussion has been implemented in each section. E.g. in Fire Fighting Section, simulations are planned to be conducted every month. Section of Health and Working Environment discussed about streetlight from mill to Pondok, which planned on February 2011.</p> <p>Person in charge of Advisory committee of Occupational Health and Safety has been assigned in estate in accordance with the established management structure and registered to Department of Labor Kotabaru District, which chaired by Estate Manager and Secretary, namely RPE, BNE, management has been set on 10 May 2011, PLE and SSE on 3 May 2011.</p> <p>Regular meeting to discuss and evaluate the implementation of Occupational, Health and Safety is conducted every 3 months, for example SSE meeting on 7 April 2011, RPE on 8 April 2011.</p> <p><b>The Non-conformance Status of CFA-2011.15 is stated as closed.</b></p>	√
S1		
S2		
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S4		
<b>4.7.3</b>	<b>Provision for accident insurance for workers.</b>	
ST1	<p>There is evidence that PT. PSA has registered all workers into Employee Social Security program. Based on data of Employee Social Security on February 2011, it is known that number of workers registered to Employee Social Security at Pondok Labu estate is as many as 606 workers, Binturung estate is 643 workers, Sesulung Estate is 749 workers, Pondok Labu Mill is 122 workers.</p> <p>Employee Social Security for Rampak Estate will be verified at Stage 2..</p>	√
ST2	<p>Insurance accident for workers inside of Employee Social Security program is available. PT. PSA has registered all workers to Employee Social Security program.</p> <p>Total of workers at Pondok Labu Mill is 121 workers. POM is able to show total number of its workers which being paid for Employee social Security as much as IDR 10,341,128 for the payment of May 2011.</p> <p>Employee Social Security insurance is available and has been paid to each worker in estate. Based on data of Employee Social Security on April 2011, total of workers in estate whose Employee Social Security accident insurance has been paid is 2.526 workers. Sample of evidence:</p> <ul style="list-style-type: none"> <li>- SSE on April 2011 for monthly Work Effort Unit 93 people – IDR 7,859,728, Daily Work Effort Unit 686 people – IDR 54,744,760</li> <li>- RPE on April 2011, for monthly Work Effort Unit 46 people – IDR 3,794,173, Daily Work Effort Unit 481 people – IDR 38,401,839,-</li> <li>- It happened the same way for Binturung and Pondok labu estates, insurance has been paid to workers, general working requirements for monthly and daily.</li> </ul> <p>Based on interview with employee of ramp loading and workshop at POM and workers in estate, it was</p>	√

	explained that insurance has been given to them in the form of Employee Social Security. For example: Employee Social Security has been given to one of harvesting workers, e.g.: on behalf of Ahmad Nurohman 08022891550 (12-2008 08109)	
S1		
S2		
S3		
S4		
<b>4.7.4</b>	<b>Regular health examination by a doctor for workers in station or exposed to high risk work.</b>	
ST1	From result of interview with boiler worker, it was known that PSA already has progress of routine check up for workers who work in certain stations, but it has not been implemented yet. Will be verified further at <i>Stage 2</i> . <b>The Non-conformance in this indicator is NC-2011.16</b>	<b>X</b>
ST2	POM has been able to show result of the monitoring of routine medical screening which is every 6 months. (Plan on May 2011 and November 2011) Actual medical screening of May 2011 in the laboratory, safety office, maintenance, process I, traction (driver), it is shown evidence of personal health condition and if necessary make recommendations to the hospital. Based on the results of interviews with workshop personal it is described that the personnel have done a medical screening by the Company. Periodic medical screening by the Doctor has been scheduled for each estate every 2 months for spray and fertilization teams, for example: <ul style="list-style-type: none"> <li>- SSE for the activities of spray team Div I on June 2011, fertilization team on April 2011</li> <li>- BNE for the activities of spray and fertilization teams on May 2011</li> <li>- PLE for the activities of spray and fertilization on January and March 2011</li> </ul> <b>The Non-conformance Status of NC-2011.16 is stated as Closed.</b>	√
S1		
S2		
S3		
S4		
<b>4.7.5</b>	<b>A documented risk assessment for Occupational Health and Safety (OHS).</b>	
ST1	The company already has a HIRAC ( <i>Hazardus Identification Risk Assessment and Control</i> ) document for mills and mill mills describe the hazards and ways of coping that should be done at each station (work place). Document of HIRAC 2010/2011 for estate ( <i>Risk Assessment</i> mature plants with types of job: Bud, Maintenance, Workshop, Spray and Fertilization) for example HIRAC for spray job: spraying from stake to stake Hazard (slip and fall), Effect (Minor body injuries), Risk (E, P,R : L,L,L), Risk Control (Walking with caution), PIC (WRK), Residual RISK (L). HIRAC for Pondok Labu Mill, among others: identifying types of work, Hazard, Effect, Risk, Risk Control, Residual Risk and PIC. For example: HIRAC of Loading ramp Station, fruit filling work at Conveyor, hazard (chain exposed), Effect (injured), Risk (E=L, P=M,R=M); Risk Control (Installation of fruit level borders at conveyor, Operational SOP, implementation of training, monitoring , Residual Risk (Nil); PIC (Assistant). Result of risks analysis at POM was not adequate to ensure that the analysis has covered all raised danger and risk control. For example, Noise at Boiler station, press and engine room of POM. <b>The Non-conformance in this indicator is NC-2011.17</b>	<b>X</b>
ST2	There is HIRAC ( <i>Hazardous Identification Risk Assessment and Control</i> ) for POM which has been revised on 5 April 2011. That revision includes risk management ( <i>risk control</i> ) from danger (hazard) caused from implemented activities. For example: Boiler station for noise with risk control by using PPE earplug, dust by using PPE mask; for noise generator station with risk control by using PPE ear plug. During field observation	√

	<p>for each station, there is sign or warning of the use of Personal Protection Equipment and it is a must for each personnel to wear PPE.</p> <p>Risk analysis for each estate implemented as related to Occupational, Health and Safety (OHS) Program, which is at BNE, RPE, SSE, and PLE that the analyzed jobs were jobs at estate scope, for example: carry sickle, cutting midrib, pouring poison, road maintenance, welding, etc. Also includes risk management (risk control) from the dangers arising from these activities.</p> <p>Routine medical screening activity is done by Doctor every 2 months for spray and fertilization team was planned for each estate, for example:</p> <ul style="list-style-type: none"> <li>- SSE for spray team activity Div I on June 2011, fertilization team on April 2011</li> <li>- BNE for spray and fertilization teams on may 2011.</li> <li>- PLE for spray and fertilization teams on January and March 2011.</li> </ul> <p><b>The Non-conformance Status of NC-2011.17 is stated as Closed.</b></p>	
S1		
S2		
S3		
S4		
<b>4.7.6</b>	<b>Record of OHS Training.</b>	
ST1	<p>Documentation of training of Occupational Health and Safety program in estate and mill is available in the form of picture, attendance list, participant's certificate and copy of training materials. However there was no adequate evidence that the entire Occupational Health and Safety training activities have been recorded. For example:</p> <ol style="list-style-type: none"> <li>(1) Fire Fighting Training on 3 December 2010 was evidenced in the form of photographs of activities implementation, training materials related to the use for Fire Fighting Equipment and task of Fire Fighting Team; attended by 32 participants.</li> <li>(2) Fire Fighting Simulation on 5 February 2011, presenter was Fahmi handoko; Fire Fighting Simulation material in Binturung Estate; attended by 20 participants;</li> <li>(3) Fire Simulation Briefing at Pondok Labu Mill on 9 May 2010, attended by 13 participants.</li> <li>(4) <i>Safety Breafing</i> on 6 February 2011, attended by 7 employees; presenter was Mahdiansyah, material given PPE checking for workers.</li> </ol> <p>Certificate List at Pondok Labu Mill related to Occupational Health and Safety, for example:</p> <ul style="list-style-type: none"> <li>• Fire Fighting Certificate (Fire Bridge) on behalf of Alimuddin, training was held on 03-04 August 2010, certificate was established on 5 August 2010, and Trainer was from Agency of Social, Labor and Transmigration of Kotabaru.</li> <li>• Certificate of Lift and Transport Plane Operator on behalf of Bakri Noor, training was held on 16-19 August 2010 by Agency of Social, Labor and Transmigration of Kotabaru.</li> </ul> <p><b>The Non-conformance in this indicator is NC-2011.18</b></p>	<b>X</b>
ST2	<p>POM already has a program of training and development of Human resource for year 2010-2011. Inside of that program, there are types of training regarding Occupational Health and Safety, electrical Work Safety (For maintenance of electric on October 2011). LOTO system (April 2011), HIRAC (On August 2011). Realization of this program can be shown through record of documented training, for example implementation on May 2010 regarding Occupational, Health and Safety (OHS), which was attended by 21 people in POM location. The implementation of LO-TO system training on 20 April 2010 was attended by 17 people at POM.</p> <p>Every estate (BNE, RPE, SSE, and PLE) already has program of training and development of human resources made for period of 1 year (2010-2011). One of the planned training programs is the Management of Occupational Health and Safety (OHS) (plan on April 2010). The actual implementation for example implementations on 5 April 2010 at the Head Office of BNE, PLE and on 4 May 2011 at PLE Head Office were recorded and documented. (Including attendance list).</p> <p><b>The Non-conformance Status of NC-2011.18 is stated as closed.</b></p>	√

S1		
S2		
S3		
S4		
<b>4.7.7</b>	<b>Accident and emergency preparedness procedure.</b>	
ST1	<p>The company already has a structure of emergency response team, which consists of Chairman and member. <u>For example:</u> Emergency response team of Pondok Labu Estate; Chairman (Lili); Chairman of Division I (Supono), Chairman of Division II (Mardiono), Chairman of Division III (Surung P Sirait); Chairman of Division IV (Sutikno); and Chairman of Traction /KB (Suyatno). Each chairman has 6 members.</p> <p>The Company structure of Emergency Response Team at Pondok Labu Mill consists of Chairman (Eko Suwanto), Vice Chairman (Mahdiansyah), Leader of group I (Achmad Anang F), and Leader of group II (Achmad Taufik) with 4 members for each group.</p> <p>Lay out that related to evacuation during emergency is available as follows:</p> <ul style="list-style-type: none"> <li>• Palm Oil Mill Emergency exit Lay out</li> <li>• Fire Fighting Equipments Lay out, visitor lines and landfills of hazardous waste</li> <li>• Fire Fighting Equipments Lay out and visitor lines</li> <li>• Lay out of emergency situation of SSE Head Office.</li> <li>• Lay out of emergency situation at SSE mess.</li> </ul> <p>The company conducted the simulation of Fire Fighting (emergency response) on 5 February 2011, presenter was Fahmi Handoko; material: Simulation of Fire Fighting at Binturung Estate; attended by 20 participants.</p>	√
ST2	<p>The implementation of emergency response is available at POM and executor team described in its own structure the same as during the visit of stage-1 is available. Procedure of Emergency Response Preparedness (PSA/SOP.PD.SOP on 1 December 2010) is available and controlled.</p> <p>During field visits, safety briefing will be conducted to outsider personnel's who visit POM in prior by explaining the hazard risk condition at certain areas and its management. In addition, Fire Fighting equipments will be checked periodically to ensure the state of emergency preparedness of fires that might occur.</p> <p>Still related to emergency response, POM parties conducted the inspection of Fire Fighting Equipments Condition every month in the form of report of Fire Extinguisher (APAR) tube including hydrant, for example on May 2011, inspection of Fire Extinguisher (APAR) at POM was as many as 25 units in good condition, at housing APAR, and 19 units with good condition.</p> <p>Fire Fighting Preparedness (STD) team has been formed for each estate and chaired by Senior Assistant and Each Division is led by Head of Foreman.</p> <p>In accordance with STD procedure, the company has implemented activities of Fire simulation and evacuation of workers on 23 May 2011 (POM), which was attended by more than 50 people. For Binturung estate, training or evaluation was held on 12 May 2011, which was attended by 20 workers. For STD, Fire Fighting Training was holding on 3 December 2010, attended by 32 people.</p> <p>Schedule or program of STD simulation and training has to be made, so that its implementation will be in accordance with PSA/SOP.PD STD procedure part 6.7.2 trial which involved workers will be conducted twice a year. <b>The Non-conformance in this indicator CFA 2011.39 with category Comment For Action.</b></p>	X
S1		
S2		
S3		
S4		
<b>4.7.8</b>	<b>Evidence of OHS and first aid equipments available at worksites.</b>	
ST1	<p>Evidence that the company has done efforts to fulfill the equipments of Occupational Health and Safety, such as :</p>	√



	<p>(1) The receipt of PPE equipments, Raincoat for workers at Pondok labu POM as many as 10 pieces.</p> <p>(2) Document of First Aid Box List, which describes number of first aid box available at Mill and estate. For example:</p> <ul style="list-style-type: none"> <li>• First Aid box at Pondok Labu POM Security Post, Office, Laboratory, process office and workshop, one box per each.</li> <li>• First Aid Box in Rampa Estate is located at the office of Division I, Division II, Division III, Division IV, Traction and SD, one box per each.</li> </ul>	
ST2	<p>Estate parties can show the results of inspections of equipments condition and use of Personal Protective Equipment (PPE) which outlined in the monthly report of Safety officer, for example: Safety Officer Monthly Report at BNE, e.g. inspection of PPE completeness on March 2011 and First Aid Box condition.</p> <p>Based on result of visits at work location in estate (Traction, Major Office, Division Office, Nursery Office, Chemical Storage, Child care, Clinic and Division Office) on each there is 1 box of First Aid. The company has also conducted First Aid Box checking in the form of First Aid Drugs Checklist matrix, which informs drug's name, unit, number and description.</p> <p>Based on result of visits to location, it was known that the company has installed traffic signs to ensure the safety of road users in estate. These signs include “</p> <ul style="list-style-type: none"> <li>• Signs of maximum speed of 30 KM/Hour in the areas near residential</li> <li>• Signs of the presence of speed bumps.</li> <li>• Appeals Board to turn on Headlights at noon.</li> <li>• Signs to be careful</li> <li>• Advisory Board to reduce speed in the areas prone to accidents.</li> </ul>	√
S1		
S2		
S3		
S4		
<b>4.7.9</b>	<b>Workers trained in first aid should be present in both field and mill operations.</b>	
ST1	<p>Document of the implementation of Occupational Health and Safety Training which conducted in conjunction with the Briefing of Fire Fighting is available.</p> <p>Will be verified further at <i>Stage 2</i>.</p>	
ST2	<p>The implementation of First Aid training activities at estate and mill was combined with the training of Occupational Health and Safety, as elaborated at part 4.6.7 (Occupational Health and Safety Training). POM already has program of training and development of Human Resources for year 2010-2011. In this program, there are types of training that related to occupational health and safety (OHS) (April 2011), Electrical Work Safety (For maintenance and electric on October 2010), LOTO system (April 2010) and HIRAC (on August 2011).</p> <p>Realization of this training can be shown in the documented training record, for example: implementation on May 2010 regarding the Occupational Health and Safety (OHS) which was attended by 21 personnels in POM area. The implementation of LO-TO system was on 20 April 2011, which was attended by 17 personnel in POM.</p> <p>Every estate (BNE, RPE, SSE, and PLE) already has program of training and development of human resources, which has been made for period of one year (2010-2011). One of the planned programs is the management of Occupational Health and Safety (OHS) (Plan on April 2011). The actual of its implementation was on 5 April 2011 at BNE Centre Office, in PLE it was done on 4 May 2011 at PLE Head Office, its implementation (Including attendance list) was recorded and documented.</p>	√
S1		
S2		

S3		
S4		
<b>4.7.10</b>	<b>Records of occurrence of any work accidents are maintained and regularly reviewed.</b>	
ST1	<p>The company has provided the record of Work Accident Monitoring and Work Accident Evaluation for estates and mills. These records contain information of date of incident, the victim's name, place of occurrence and the cause of the accident.</p> <p>Based on the record of work accident monitoring at Binturung estate in year 2010/2011, it is known that only 1 incident occurred: which was on 31/01/2011 on behalf of Mista. Place of occurrence Block H 24, Type (category) of accident: drowning, the cause of the accident: the edge of the reservoir has not had a permanent fence, lack of understanding and awareness of worker in terms of hazard/risk in doing activities/fishing in reservoir area. Recommendations of preventive actions: implementation of <i>Corporate Social Responsibility</i>, counseling/socialization to all employees not to perform activities in the reservoirs, accelerating the implementation of fencing around the reservoir and routine monitoring especially for nursery officer/employee.</p> <p>Implementation of Corrective action, will be verified further at <i>Stage 2</i>.</p>	√
ST2	<p>For PLF POM, the occurred accidents are recorded and reported periodically every 3 months, to be reported to Agency of Labor Kotabaru District. Sample of report on 3 May 2011 (Report of Advisory committee of Occupational Health and Safety quarter III). Based on recapitulation of Work Accident report since January to April 2011 there was no incident occurred, if any, the company will conduct investigation which will be analyzed, concluded and taken actions as recommendation.</p> <p>For each estate, there's record of the monitoring of work accident every month, for example, BNE in the last 3 months there were 11 cases of accidents (March – May 2011), February 2011 PLE was as many as 7 cases, March 2011 was as many as 14 cases, April 2011 was 14 cases and 16 cases on May.</p> <p>Analysis of the main cause of case has not been fully made for each raised accidents, so that the corrective actions will be defined further to avoid repetition.</p> <p><b>The New Non-conformance in this indicator CFA-2011.40</b></p>	X
S1		
S2		
S3		
S4		
<b>4.8</b>	<b>All staff, workers, smallholders and contractors are appropriately trained.</b>	
<b>4.8.1</b>	<b>A documented training programmed for staff, employee and scheme smallholders in accordance with workers' positions and competence.</b>	
ST1	<p>The company has shown the document of training program to employee and staff of estate and mill. Training program consists of Identification of Training Needs (No. Document 01/PSA.MIP/2010), Implementation of training and Time of Implementation. Matrix of training identification contains information: Types of Training, Name/Position/Title. For example: Fruit Grading Training Program, has to be followed by harvester, Harvest foreman, Harvest Foreman I, Assistant, Grading Foreman and grading workers. Plan of implementation: April 2011, Evidence of implementation and result of evaluation to training implementation will be evaluated at <i>Stage 2</i>.</p>	√
ST2	<p>POM already has program of training and development of Human Resources for year 2010-2011. In this program, there are types of training related to occupational health and safety (OHS) (April 2011), Electrical Work Safety (For maintenance and electric on October 2010), LOTO system (April 2010) and HIRAC (on August 2011). Realization of this training can be shown in the documented training record, for example: implementation on May 2010 regarding the Occupational Health and Safety (OHS) which was attended by</p>	√

	<p>21 personnels in POM area. The implementation of LO-TO system was on 20 April 2011, which was attended by 17 personnel in POM.</p> <p>Every estate (BNE, RPE, SSE, and PLE) already has program of training and development of human resources, which has been made for period of one year (2010-2011). One of the planned programs is the management of Occupational Health and Safety (OHS) (Plan on April 2011). The actual of its implementation was on 5 April 2011 at BNE Centre Office, in PLE it was done on 4 May 2011 at PLE Head Office, its implementation (Including attendance list) was recorded and documented.</p>	
S1		
S2		
S3		
S4		
<b>4.8.2</b>	<b>Records of training for each employee are kept.</b>	
ST1	Record of training for employee is not available yet. See also explanation in 4.8.1	<b>x</b>
ST2	<p>Each training attended by each employee (worker) both in POM and Estate is recorded in the form of attendance list and list of trainings that provide certificate. However, the company has not been able to show new (updated) record on several workers or staffs after attending the training (<i>with or without certificate</i>) to show whether those workers or staffs are trained and competent, for example: PLE Senior Assistant, SSE Assistant and PLF Manager.</p> <p>The company must be able to show or provide the latest record (updated) of worker or staff after they attended the training (<i>with or without certificate</i>) to indicate that those workers, staffs are trained and competent. <b>The Non-conformance in this indicator is NC-2011.41</b></p>	<b>x</b>
S1		
S2		
S3		
S4		
<b>4.8.3</b>	<b>Evidence that the company uses experienced or trained contractors.</b>	
ST1	<p>The company uses contractors based on work experience, most appropriate offer. And it must meet the agreed deal. Local contractors are given training courses on general Occupational Health and Safety (OHS), First Aid and RSPO. And a training of Occupational, Health and safety (OHS) has been conducted for example, the Contractor Worker Safety Briefing on 11 November, which was attended by 5 participants. More in-depth verification is at the time of <i>Stage 2</i>.</p>	√
ST2	<p>There is SOP of Contractor Working Regulations Document of PSA/SOP of PKK on 1 December 2010 that has been endorsed by authorized agency. It contains the procedure of contractor requirements, such as: employee of contractor must use PPE. Employee of Contractor has to obey the established regulations, Contractor, especially driver should have driving license, all contractor employees should and must follow the entire regulations applied, maintain orderliness and if they get sanction, their working contract will be reviewed.</p> <p>Construction works, Palm Kernel transportation, service maintenance are as contractor. To ensure that the used contractors are trained and competent, POM has done periodic competency evaluation every 3 months.(in accordance with letter of working instruction) in competency evaluation form, if the average score is less than 2 then it is considered as bad performance, between 2 until 2.5 considered as fair and 2.5 until 3 considered as good.</p> <p>As in every estate (SSE, BNE, RPE, and PLE), evaluation of contractor employee competency has been done, for example: buildings contractor, Empty Bunch transportation, Heavy Equipments. Evaluation towards contractors in estate was done on 6 June 2011.</p> <p>PSA has issued an intercommunication letter dated on 7 June 2011 (memo) from the Chairman of SOU to PSA Manager (Estate and Mill) to conduct the evaluation of the trained contractor competency every 3 month as according to Working Instruction Letter of Contractor.</p>	√

S1		
S2		
S3		
S4		
<b>PRINCIPLE #5 ENVIROMENTAL RESPONSIBILITY AND NATURAL RESOURCES AND BIODIVERSITY.</b>		
<b>5.1</b>	<b>Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.</b>	
<b>5.1.1</b>	<b>Documentation of impact analysis.</b>	
ST1	<p>The company already has the Document of Environmental Impacts Analysis (EIA) of Oil Palm plantation and Mill on behalf of PT. Laguna Mandiri, PT. Langgeng Muara Makmur, PT. Paripurna Swakarsa and PT. Swadaya Andika endorsed by the Head of Planning Bureau, secretary, Secretary of Head Committee, Ministry of Agriculture No. 008/ANDAL/BA/II/1995 on 27 February 1995. Areas covered in the study of EIA are 22,800 Ha, and installed mill capacity is of 60 ton FFB/Hour.</p> <p>Environmental Impacts Analysis document presents 10 types of estimate impacts (positive and negative), which are: Reduction of Air Quality, Physical and Chemical characters of Land, Erosion and Sedimentation. Increase of flood hazard, Reduction of Water Quality, Wildlife disturbance, Negative Perception, Changes in Farming Patterns, Job Opportunities and Income of Community/Employee.</p> <p>There is also Identification Result Document of land with High Conservation Value (HCV) and Document of Social Impact Analysis year 2010, which is used as reference by PSA in managing the environment in order to reduce negative impacts on Nature and Social Environment, caused by its operation.</p>	√
ST2	<p>EIA document of Oil Pam Plantation and Mill of PT. Paripurna Swakarsa endorsed by The Head of Planning Bureau, Secretary, Secretary of Head Committee, Ministry of Agriculture No. 008/ANDAL/BA/II/1995 on 27 February. 1995. Areas covered in EIA study of PT. BSA covering 22,800 Ha, and capacity of installed mill 60 FFB/Hour in Binturung.</p> <p>Document of Environmental Management Plan/Environment Monitoring Plan of PT Paripurna Swakarsa (PSA) was endorsed by Agribusiness Agency of department of Agriculture Ministry of Agriculture on 30 March 1995 No. 047/RKL-RPL/BA/III/1995, periodical management and monitoring of environment is informed. Then it will be stated in the report of Environmental Management Plan/Environment Monitoring Plan every semester to relevant agency, which is Environmental Agency of Kotabaru, South Kalimantan.</p>	√
S1		
S2		
S3		
S4		
<b>5.1.2</b>	<b>Records of regular report on environment management in accordance with the relevant regulations.</b>	
ST1	<p>Record of routine management report is available in the form of Implementation report of Environmental Management Plan/Environment Monitoring Plan per semester, but there is no adequate evidence that it has been consistently delivered to relevant agency.</p> <p>Evidence of the deliverance of Environmental Management Plan/Environment Monitoring Plan implementation report period I (January – June) 2010 to the Head of Kotabaru Environmental Agency in the form of letter 660/3/BLHD/2011 is available. However, the evidence of the report submission of Environmental Management Plan/Environment Monitoring Plan implementation semester II (July – December) year 2010 cannot be shown yet.</p> <p>The company has not been able to show the document of management and monitoring plan (RKL/RPL) which endorsed by relevant agencies and made as reference to implement its management and monitoring.</p> <p><b>The Non-conformance in this indicator is NC-2011.19</b></p>	<b>X</b>

ST2	<p>PSA has shown the Environmental Management Plan/Environmental Monitoring Plan of PT Paripurna Swakarsa (PSA), which endorsed by Agency of Agribusiness, Ministry of Agriculture, Minister of Agriculture on 30 March 1995.</p> <p>Environmental Management Plan/Environmental Monitoring Plan Report in semester II 2010 has been sent to PSQM in Jakarta on 1 March 2011 to be submitted to Environmental Agency of Kotabaru South Kalimantan, but PSA has not been able to show evidence of receipt from relevant agency for the report in Semester II 2010.</p> <p>Revisions or adjustments have been made according to endorsed Environmental Management Plan/Environmental Monitoring Plan, but result of revisions was still not fully covered the following points, for example: monitoring on the changes of vegetation and wild animal, flood-related debit monitoring, job opportunity creation, improvement of residents' income, farming pattern.</p> <p>The company should be more consistent in guarantying the environmental management report which can be accepted by the agency according to schedule (periodic) and report of Environmental Management Plan/Environmental Monitoring Plan will be adjusted to the endorsed one.</p> <p><b>The Non-conformance Status of NC-2011.19 is states as Open with Minor category.</b></p>	X
S1		
S2		
S3		
S4		
5.1.3	<p><b>Revision to Environment Management document if there are changes in companies operating area or activities.</b></p>	
ST1	<p>In PT. PSA, there are no changes in the operational areas and cooperate (company) activities. Thus no need revision for the Environment Management Report.</p> <p>In the Environmental Management report, period I (January-June) year 2010, there are seven types of management and seven types of monitoring activities. The management activities include: Quality of River Water and Outlet canals, Quality of Liquid and Solid Waste, Fire Potential, disruption on Flora and Fauna and the residents restlessness. The implemented monitoring activities are: management of water at low level area (Acid sulfate), quality of River Water and Outlet Canals, Quality of liquid and Solid waste, Fire Potential, disruption on Flora and Fauna and the residents' restlessness. However types of activities done either in management or monitoring level have not been fully referred to the Guidelines within EIA document as elaborated in Criteria 5.1.1. In addition, there is no explanation of the differences among the activities. Based on map of HCV measurement result, the entire PT. PSA areas have been included in High Conservation Value activity. <b>The Non-conformance in this indicator is CFA-2011.20</b></p>	X
ST2	<p>Report of Environmental Management Plan/Environmental Monitoring Plan of Semester II 2010 has been sent to Environmental Agency of Kotabaru, South Kalimantan. Report of Environmental Management Plan/Environment Monitoring Plan has been revised and in accordance with the endorsed document, therefore, it does not include things such as the monitoring of vegetation and wild animal changes, monitoring of flood debit, job opportunity creation, and improvement of the residents' income and patterns of farming. <b>The Non-conformance Status of CFA-2011.20 is stated as open with Minor category.</b></p> <p>Environmental Management Plan/Environmental Monitoring Plan documents of PT Paripurna Swakarsa (PSA) have been endorsed by Agency of Agribusiness, Ministry of Agriculture, Minister of Agriculture dated on 30 March 1995 No. 047/RKL-RPL/BA/III/1995. It was mentioned in the documents that the area is of 22,800 ha, establishment of POM at Binturung riparian reserve and covers as many as 8 villages. Actual condition of PSA area is 16,012.11 Ha, POM at Sesulung estate which included in PSA area is as many as 4 villages.</p> <p>Routine Environmental Management Plan/Environmental Monitoring Plan (RKL/RPL) report was made and reported to relevant authorities (Semester II 2010 at the latest) and content of Environmental Management Plan/Environmental Monitoring Plan (RKL/RPL) is an explanation of measurement result and actual</p>	X

	<p>condition of the company operational activities (PSA) – See 5.1.2 and 6.1.3.</p> <p>Even though the actual of RKL/RPL report is a result of monitoring and management of actual condition, however the company still has to do revisions of RKL/RP document regarding the differences of operational area condition as mentioned in RKL/RPL document to be adjusted with the real condition so that the new <b>Non-conformance of NC-2011.42 with Minor category</b> is arised.</p>	
S1		
S2		
S3		
S4		
<b>5.2</b>	<b>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>5.2.1</b>	<b>Records of results of identification of any protected, rare, threatened or endangered species, and HCV habitat.</b>	
ST1	<p>Result of identification of protected, uncommon, rare and endangered species and habitats with high conservation value contained in Annex 12 and 13 of Measurement Result Document of High Conservation Value of PT. Paripurna Swakarsa (January 2010).</p> <p>Based on the result of measurement, it is known that in PT. PSA area, there are no protected, uncommon, range or endangered plant species, as for types of fauna, there are <u>14 mammal species</u>, which are: Pangolin/Trenggiling peusing (<i>Manis javanica</i>), Monkey (<i>Macaca fascicularis</i>), Beruk (<i>Macaca nemestrina</i>), Palm Squirrel (<i>Callosciurus notatus</i>), Sero Ambang (<i>Aonyx cinerea</i>), Skunk (<i>Mydaus javanensis</i>), Deer (<i>Muntiacus Muntjak</i>), Hare (<i>Tragulus javanicus</i>); <u>7 species of birds</u>, among others: Big Punai (<i>Treron capellei</i>), Pekaka Emas (<i>Pelargopsis capensis</i>), Kipasan Belang (<i>Rhipidura javanica</i>), White belly Kangkareng (<i>Anthrococerus albirostris</i>), Tiung Mas (<i>Gracula religiosa</i>), Madu Sepah Raja Bird (<i>Aethopyga siparaja</i>), Small Pijantung (<i>Arachnothera longirostris</i>); and <u>4 species of reptiles</u>, among others : Cobra (<i>Naja sp</i>), crocodile (<i>Crocodylus spp</i>).</p> <p>While, identified High Conservation Value habitat (2,239.05 Ha), are:</p> <ol style="list-style-type: none"> <li>(1) HCV 1.3 – Area of habitat for population of endangered species, limited distribution or protected that able to survive. (<i>Viable Population</i>).</li> <li>(2) HCV 1.4 Area of habitat of species or species colony for temporary use.</li> <li>(3) HCV 2.3 – Area that contains the population from natural species representative.</li> <li>(4) HCV 3 - Area that has rare or threatened ecosystem.</li> <li>(5) HCV 4.1 – Area or ecosystems which are important as the water supplier and flood control for the residents.</li> <li>(6) HCV 4.2 – Area which are important for erosion and sedimentation control.</li> <li>(7) HCV 4.3 – Area that functions as nature filter to prevent the spread of Nature forest and land fires.</li> <li>(8) HCV 5 - Area that has important function in fulfilling the basic needs of local residents.</li> <li>(9) HCV 6 - Area that has important function of traditional Culture Identity of local community.</li> <li>(10) Results of field observations show that inside PT. PSA work area, there's an area which is directly adjacent to the beach but it is not considered in the study of high conservation value implementation. For example: At Block V Sesulung Estate, where abrasion existed in this location.</li> </ol> <p><b>The Non-conformance in this indicator is NC-2011.21.</b></p>	<b>X</b>
ST2	<p>Results of identification of flora and fauna species at PT. PSA work area as listed in Annex 12 and 13 of the document of High Conservation Value measurement result of PT. Paripurna Swakarsa (Jakarta, December 2009) is available.</p> <p>Based on result of High Conservation Value study, inside of PT.PSA work area, there's no types of protected flora and/or listed in CITES, while for types of fauna, there are several types of protected, rare and endangered species, such as: Trenggiling (Pangolin) peusing (<i>Manis javanica</i>), Monkey (<i>Macaca</i></p>	√

	<p><i>fascicularis</i>), Beruk (<i>Macaca nemestrina</i>), Palm squirrel (<i>Callosciurus notatus</i>), Sero Ambang (<i>Aonyx cinerea</i>), Skunk (<i>Mydaus javanensis</i>), Deer (<i>Muntiacus Muntjak</i>), Hare (<i>Tragulus javanicus</i>); <u>7 species of birds</u>, such as Big Punai (<i>Treron capellei</i>), Pekaka Emas (<i>Pelargopsis capensis</i>), Kipasan Belang (<i>Rhipidura javanica</i>), Kangkareng Perut Putih (<i>Anthrococerus albirostris</i>), Tiung Mas (<i>Gracula religiosa</i>), Madu Sepah Raja Bird (<i>Aethopyga siparaja</i>), Small Pijantung (<i>Arachnothera longirostris</i>); and <u>2 species of reptiles</u>, such as: Cobra (<i>Naja sp</i>), Crocodile (<i>Crocodylus spp</i>).</p> <p>Based on identification of High Conservation Value, at PT. PSA work area 734.63 hectares area (4.93 % (total work area) and potential of High Conservation Value 1.585 hectares area (10.65 % of total work area) are identified with details as follow:</p> <ol style="list-style-type: none"> <li>(1) HCV 1 : Rampa (23.31 ha, potential 1,044.45 Ha), Pondok Labu (potential 203.87 Ha), Sesulung (7.15 ha, potential 224.80 Ha) and Binturung (704.17 ha, potential 112.85 Ha)</li> <li>(2) HCV 2 : Rampa (potential 813.65 Ha), Pondok Labu (potential 11.43 Ha) and Binturung (626.65 Ha)</li> <li>(3) HCV 3 : Rampa (23.31 Ha), Sesulung (7.15 Ha) and Binturung (464.63 Ha)</li> <li>(4) HCV 4 : Rampa (23.31 ha, potential 3.31 Ha), Pondok Labu (potential 142.03 Ha), Sesulung (potential 154.93 Ha) and Binturung (464.63 ha, potential 102.22 Ha)</li> <li>(5) HCV 5 : Binturung (25.12 Ha)</li> </ol> <p>Coastal riparian reserve has been identified and defined as High Conservation value 4.2 important ecosystem areas for erosion and sedimentation control in accordance with letter from the Chairman of SOU-11 dated on 9 may 2011 to High Conservation Value Team in PT.PSA. The revised High Conservation Value has been consulted by sending a letter dated on 4 June 2011 to get responses from National Land Affairs Agency (BPN), Regional Environmental Agency (BLHD), and Agency of Forestry Kotabaru.</p> <p>There is evidence of letter from Chairman of SOU-11 PT. PSA No. 01/NKT-PSA/V/2011, dated on 9 May 2011 addressed to High Conservation Value Team of PT. PSA, regarding the restoration of coastal riparian reserve; in addition to that there is a document of coastal riparian reserve management Plan.</p> <p>Based on result of field observation to Beach V, Division IV, Block V 44, Sesulung Estate, activities that have been done include: Boundaries making in the form of wooden pole with yellow paint or with signs at Oil Palm trunk with a distance of 500 m from coastal boundary, appeal board to not perform fertilizing, and agrochemical and name boards. <b>The Non-conformance Status of NC 2011.21 is stated as closed.</b></p>	
S1		
S2		
S3		
S4		
5.2.2	<p><b>If, rare, threatened or endangered species, or high conservation value habitats are present, appropriate measures to preserve them are to be taken.</b></p>	
ST1	<p>The company already has SOPs related to the Wildlife Management, approved by Senior Manager dated on 3 April 2010, which referred to (1) Act no. 5 year 1990 regarding the Conservation of Natural Resources and Ecosystems, (2) Act no. 41 year 1999 regarding Forestry, (3) Government Regulation no. 13 year 1994 regarding animals hunting, and (4) Government Regulation no. 7 year 1999 concerning the preservation of Flora and Fauna.</p> <p>In addition, there is SOP that related to Conservation Forest Management, endorsed by Senior Manager on 3 April 2010. That SOP refers to (1) Act of Republic of Indonesia No. 5 year 1990 regarding the Conservation of natural resources and ecosystems, (2) Government Regulation No. 7 year 1999 regarding the preservation of Flora and Fauna types, (2) Act of republic of Indonesia No. 21 year 2004, Validation of Cartagena protocol concerning on safety above Biological diversity.</p> <p>The company also has the document of High Conservation Value management program at period 2010-2011 for each type of HCV referred to directions (recommendation) of HCV Measurement Result Document.</p> <p>However, the overall SOP and program mentioned above are still normative, it doesn't explain the specific measures to protect species and habitats that are needed to be protected according to identification result of</p>	<p><b>X</b></p>

	<p>species and HCV. From result of observation at Block O-05 SSE, it is known that measures taken by PSA are merely limited to area designation and installation of name boards in location identified as High Conservation Value. There is no evidence that shows that concrete measures to protect rare, uncommon and endangered species have been implemented, including counseling to employees and surrounding residents. <b>The Non-conformance in this indicator is NC-2011.22</b></p>	
ST2	<p>PT. PSA has made measures that related to the management of High Conservation Value defined for each estate. In addition PT. PSA has a program management of each type of HCV at each estate for period of 2010 – 2011 (Sesulung Estate, Binturung Estate, Pondok Labu Estate and Rampa Estate), that program has been referred to the Directions of Improvement Recommendation of HCV. There's evidence in the form of attendance list of the implementation of the socialization to employees and residents regarding the existence of rare or endangered species or habitats with high conservation value and socialization of the installation of name board, posters and prohibition/advisory board. This is evidenced by the Letter No. 02/NKT-PSA/2011, on 3 June 2011 regarding: Socialization of name board, appeal board and posters which addressed to: Head of Sesulung village, Head of Pondok Labu village, Head of Binturung village and Head of Rampa village. <b>The Non-conformance Status of NC-2011.22 is stated as Closed.</b></p>	√
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>	
ST1	<p>There is no adequate evidence that shows the measures in protecting rare and endangered species and their habitats have been in accordance with the relevant regulations and include measures to control any hunting, fishing or illegal and improper harvesting. Based on the results of field observations to Block O-05 SSE, there was no adequate evidence of signs containing advisory, which related to the management of hunting, fishing or illegal and improper harvesting. See also the explanation in 5.2.2 above. <b>Non-conformance in this indicator is NC-2011.23</b></p>	X
ST2	<p>Measures that should be taken to protect the rare or endangered species and their habitats based on the applicable regulations where describe in the document of HCV management program. In addition, program and realization of HCV management in year 2010-2011 for each estate has been made. The result of field visits indicates the existence of measures taken, which include: At Sesulung Estate (block V 44) there is evidence of an installation of HCV 4.2 name board, Prohibition/Advisory board and boundaries pole; Binturung (Block H 7) an installation of river banks name boards, boundaries pole, Prohibition/Advisory board; Rampa (Block N 30) an installation of HCV 3 name board and prohibition of not entering/hunting. In the name boards, posters and boards of prohibition/advisory, the applicable regulations/laws have been inserted. <b>The Non-conformance Status of NC-2011.23 is stated as closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>5.2.4</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>	
ST1	<p>Activities implemented are presently limited to the installation of name boards at each HCV area, as for the making of posters, warning boards, publication, circulation and socialization to all employees and residents have not been implemented yet. See Explanation 5.2.2 above. <b>The Non-conformance in this indicator is NC-2011.24</b></p>	X



ST2	<p>There's letter No. 02/NKT-PSA/2011, dated on 3 June 2011, regarding the installation of name board, advisory board and poster which are addressed to the Head of Sesulung Village, Head of Pondok Labu village, Head of Binturung village and Head of Rampa village. In addition to that, there is evidence in the form of attendance list of the implementation of socialization activities toward all employees and surrounding residents (As listed in explanation 5.2.2 above).</p> <p>Field visit to Rampa Estate (Block N 30), there is installed name board with title: HIGH CONSERVATION VALUE 3, AREA THAT HAS RARE OR THREATENED ECOSYSTEM, NO RARE/ENDANGERED ANIMAL HUNTING have been installed, the rules are referred to: Act No. 5 Year 1990 and Government Regulation No. 7 Year 1999. <b>The Non-conformance Status of NC-2011.24 is stated as Closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>5.2.5</b>	<b>Companies are to appoint dedicated and trained officers to monitor any plans and activities as above.</b>	
ST1	<p>The company has assigned a special officer in each estate (through Manager assignment letter) to monitor the plan and management activities of species and High Conservation Value, as follows:</p> <ol style="list-style-type: none"> <li>(1) Hadran - at Binturung Estate, with assignment letter No. 001/BNE-int/SK/XII/2010 dated on 1 December 2010,</li> <li>(2) Nurfaizin - at Pondok Labu Estate, with assignment letter No. 010/PLE-KTR/IV/2011/S dated on 1 December 2010,</li> <li>(3) Ismoro - at Sesulung Estate, with assignment letter No. 002/SSE-Int/SK/XII/2010, dated on 1 December 2010, and</li> <li>(4) Karono – at Rampa Estate, with assignment letter No. RPE-Int/023/XII/2010 dated on 1 December 2010</li> </ol> <p>However the company has not been able to show the competency evidence of each assigned officer. <b>The Non-conformance in this indicator is NC-2011.25</b></p>	X
ST2	<p>PT. PSA has assigned special officers to monitor the implementation of High Conservation Value (HCV) as presented in measurement result on ST1 level. The company has not been able to show that the officers are well trained, however it has owned plan/program to hold a training of HCV in cooperation with BKSDA. It can be proved by the existence of letter from PT.PSA which addressed to BKSDA regarding the Request of HCV Supervisor Training by BKSDA Letter of Chairman of SOU 11 Pondok Labu, No. 113/PSA-Dinas Ling/V/2011/s, dated on 25 May 2011. <b>The Non-conformance Status of NC- 2011.25 is stated as open with Minor category.</b></p>	X
S1		
S2		
S3		
S4		
<b>5.3</b>	<b>Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</b>	
<b>5.3.1</b>	<b>All waste and pollutions sources are identified and documented.</b>	
ST1	<p>There is a matrix of Identification Result of Waste Sources and Their Treatment provided on site, which among others, informs of: waste sources, waste codes, waste names, waste types, classification, reuse/recycle/disposal, storage room, final disposal site. However, the matrix has not yet covered the waste sources on the estate.</p> <p>The waste sources in the mill are: boiler, diesel fuel tank, workshop, chemical storage room, office, laboratory, and canteen.</p> <p>Will be verified further on stage 2.</p>	√

ST2	<p>Waste sources are identified, including waste management due to estate activities (since March 2011) and due to the Pondok Labu Palm Oil Mill (POM) (since November 2010). The information on the sheet or waste sources identification matrix describes the waste sources based on the activities, waste names (liquid, solid, emission), waste classification (hazardous and non-hazardous materials), waste production frequency, waste behavior (reuse, recycle and disposal), temporary storage room (e.g. hazardous materials temporary storage room).</p> <p><u>Note:</u> licensed supplier (within process of obtaining the license for supplying in Surabaya, Kotabaru representative). On 31 May 2011, the Head of Pondok Labu SOU composed a letter to Kalimantan Sulawesi SGM Plantation Operation regarding the sales agreement of waste from the mill and estates for hazardous waste and non-hazardous waste to buyers with Hazardous Waste Treatment license.</p> <p>The amount and types of waste, especially hazardous waste, are noted and summarized monthly, which are as follows: hazardous waste types: used battery, oil, chemical packaging, hazardous materials packaging, air cleaner, oil filter. Moreover, the identification is done for the 4 estates, with information sheets alike the one described above.</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>	
ST1	<p>Waste treatment plans for the mill are written in the matrix of Identification Result of Waste Sources and Their Treatment. Depending on the waste type produced, the company has planned a reuse, reduce and recycle program. Examples of waste types treated with the reuse method: liquid waste (for land application), shells and fibers (for fuel), scrap metal (for construction), chemical packaging (for shell collecting).</p> <p>The estate waste treatment plan is written in the Hazardous and Non-Hazardous Waste Treatment SOP, which covers: (1) storage: the packing, storage method, hazardous waste storage room requirements, and the waste handover to third parties (waste collectors); (2) methods of reducing waste: reduce, reuse and recycle.</p> <ul style="list-style-type: none"> <li>- Used oil: reduce – buying in large packages to reduce the packaging amount; equipment maintenance; reuse – using it as lubricant for chains, chainsaw engines, and grass cutter engines.</li> <li>- Filter: reduce – enhancing the filter lifetime, using washable permanent filter.</li> <li>- Cotton fabric waste/rag: reduce – decreasing sources of droplets on equipment, using containers to contain leakage.</li> <li>- Chemical packaging: reduce – buying in large packages to reduce the packaging amount, minimalizing the use of chemicals on the estate.</li> </ul> <p><b>The non-conformance on this indicator is NC-2011.26</b></p>	X
ST2	<p>Waste treatment plan is written on the sheets or matrix of Waste Sources Identification, describing the waste sources based on the activities, waste names (liquid, solid, emission), waste classification (hazardous and non-hazardous materials), waste production frequency, waste behavior (reuse, recycle and disposal), temporary storage room (e.g. hazardous materials temporary storage room). At the time of field inspection from the POM, the implementation done was that the hazardous waste produced were given symbols or labels of Hazardous Materials Temporary Storage Room and were going to be handed over to licensed parties. Application Form on 31 May 2011 from the Head of Pondok Labu SOU to Kalimantan Sulawesi SGM Plantation Operation regarding the sales agreement of waste from the mill and estates for hazardous waste and non-hazardous waste to buyers with Hazardous Waste Treatment license.</p> <p>For estate sites, every waste produced is controlled in accordance with the approved management method. For instance: hazardous materials (pesticide) packaging is torn or given holes; and minutes is created, such as: 25 May 2011 at SSE, holes were given to 80 packaging; 12 May 2011 at BNE to 35 packaging; 7 May</p>	√

	<p>2011 at RPE to 11 packaging, 9 April at RPE to 29 packaging.</p> <p>Based on the field inspection results at POM Hazardous Waste Storage Room, one of the hazardous waste is the chemical packaging, which has been treated with tearing method to make them unusable. All kinds of hazardous waste are collected in one room (Hazardous Waste Storage Room) and all are noted to be handed over to licensed supplier. The procedure itself is still in progress to be performed according to the internal application form on 31 May 2011 from SGM Plantation Operation and Head Plantation Operation. To ensure the hazardous waste storage room at the PSA (estate and mill) is adequate, the POM party (POM manager) issued an application on 2 May 2011 to Banjarbaru PSD Head for Hazardous Waste Storage Room expansion. <b>The non-conformance status NC-2011.26 is declared Closed.</b></p>	
S1		
S2		
S3		
S4		
<b>5.3.3</b>	<b>Management plan of hazardous waste and instruction of disposal of agrochemicals and their containers waste in accordance with the product label and existing regulations.</b>	
ST1	<p>The company has Hazardous and Non-Hazardous Waste Treatment SOP, referring to applicable regulations (Kep-01/Bapedal/09/1995 and Kep-05/Bapedal/09/1995; Government Regulation No. 18 Year 1999 jo Government Regulation No. 85 Year 1999) so that there is no direct contamination to the environment. The procedure states that all hazardous and non-hazardous waste, be it produced by the estate or the mill, will be temporarily stored at the licensed temporary storage room (located at the POM) prior to being sold. For several waste types, such as oil, the company has obtained a candidate buyer for the hazardous waste, which is PT Sido Mulyo Patuk Pulo (Environmental Affairs Ministerial Decree Permit No. 469 Year 2009 on 31 August 2009), valid for 5 years. The company is located in Surabaya, referring to CV Restu Ibu, which is located in Kotabaru – South Kalimantan.</p> <p>The company has also obtained Hazardous Waste Temporary Storage Room Permit from the Head of Kotabaru District (No. 188.45/127/KUM/2011 on 8 March 2011), valid for 5 years. The 4 x 2 x 3 cubic meter storage room is located within the mill.</p> <p>However, the company has not consistently applied the procedure. For example:</p> <ol style="list-style-type: none"> <li>(1) There are some hazardous waste (such as agrochemical packaging) stored in the estate storage room with no permit from the authorized agency. The packaging wastes are not given holes (torn) as regulated by the procedure.</li> <li>(2) The diesel fuel tank at the mill is roofless and does not have oil trap.</li> <li>(3) Oil trap for the SSE workshop does not comply the water under flow principle.</li> <li>(4) Metal waste is mixed with plastic and organic waste.</li> <li>(5) Domestic waste disposal in the vicinity of the SSE workshop and "V" beach.</li> </ol> <p><b>The non-conformance on this indicator is NC-2011.27</b></p>	<b>X</b>
ST2	<p>The company has also obtained Hazardous Waste Temporary Storage Room Permit from the Head of Kotabaru District (No. 188.45/127/KUM/2011 on 8 March 2011), valid for 5 years. The 4 x 2 x 3 cubic meter storage room is located within the mill. However, the Hazardous Waste Temporary Storage Room Permit is not available on each estate. The PSA is in the process of obtaining Hazardous Waste Temporary Storage Room Permit for each estate, through the letter on 2 May 2011 from Factory Manager (PLF) to PSD GM Banjarbaru regarding PSA Hazardous Waste Temporary Storage Room Permit (including all estates). The dimension of Hazardous Waste Temporary Storage Room Permit would be 7 x 16 x 4 cubic meter and is already used as Hazardous Waste Storage Room and from each estate; the hazardous waste is on transportation process to the Central Storage Room at POM.</p> <p>The corrective action for hazardous waste treatment was done on site (POM) in forms of diesel fuel tank repair and oil trap with under flow in the latter part of May 2011 for Pondok Labu Estate and oil trap repair in</p>	√

	the early part of May 2011. The chemical packaging (containers), whose bottom parts were torn, were collected to be handed over to licensed supplier. <b>The non-conformance status NC-2011.27 is declared Closed.</b>	
S1		
S2		
S3		
S4		
<b>5.3.4</b>	<b>Records of waste monitoring/analysis.</b>	
ST1	The company has records of waste monitoring in the form of a matrix informing the waste types, the received waste quantity, waste sources, costs and stock quantity. Based on that matrix, until 8 April 2011, waste is recorded as follows: <ul style="list-style-type: none"> <li>- Estate : used oil at PLE – 3,050 liter; used oil at SSE – 1,647 liter; used oil at BNE – 2,059 liter.</li> <li>- POM : used oil – 1,481 liter; battery – 32 pieces; oil filter and fuel filter – 12 pieces; gloves – 29 pieces.</li> </ul>	√
ST2	The waste produced is recorded according to its monitoring period: <ul style="list-style-type: none"> <li>a. Liquid waste (POME) for land application is recorded monthly.</li> <li>b. Hazardous waste is recorded daily and monthly recapitulation of it is then created, for waste such as: oil, battery, filter oil, rags, etc.</li> <li>c. Non-Hazardous waste is recorded and monthly recapitulation of it is then created, for waste such as: scrap metal, used tires.</li> </ul> <p>The company recommended to be conducted Analysis for non hazardous waste that can be provided (empty bunch, wastewater, shells and fiber)  <b>The new non-conformance on this indicator is CFA-2011.43</b></p>	<b>X</b>
S1		
S2		
S3		
S4		
<b>5.4</b>	<b>Efficiency of energy use and use of renewable energy is maximized.</b>	
<b>5.4.1</b>	<b>Records of monitoring renewable energy use and its efficiency analysis (energy/ton CPO, or energy/ton palm product).</b>	
ST1	The company has records of Fiber and Shells Fuel Monitoring, created periodically (monthly). Based on that record, in the period of January – December 2010, the use of fiber is recorded at 19,987,094 kg; and the use of shells is recorded at 9,056,747 kg. The kWh generated is 5,150,535 kWh, for processed FFB of 260,218 metric ton or 2.98 kWh/ton FFB.	√
ST2	Boiler fuel for the turbines is the fiber and shells with the unit of kWh/kg (fiber and shells). In the year 2010, the turbines generated an annual energy of 5,150,535 kWh, for processed FFB of 260,218 metric ton or 19.79 kWh/ton FFB (2010 Budget – 20.00 kWh/ton FFB) or still within the budget prediction. In the month of April 2011, the turbines, using fiber and shells as fuel, generated 21.56 kWh/ton FFB (or still within the budget prediction of 20.00 kWh/ton FFB). Efficiency information of renewable energy, in forms of fiber and shells, and the efficiency analysis are available in the monthly Manager Report. Note: The Manager Report of May was created on 10 June 2011.	√
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>	
ST1	Records of diesel fuel monitoring are available on site. For the period of January – December 2010, it is recorded that the diesel fuel use was 239,805 liter for processed FFB of 260,218 metric ton or 0.92 liter/ton FFB. The 2010 budget prediction for diesel fuel was 299,606 liter/298,799 ton FFB or 1.00 liter/ton FFB.	√
ST2	The use of diesel fuel for generators with the unit of kWh is recorded monthly including the monthly FFB quantity. For example, on April 2011, the diesel generator generated 38.240 kWh; divided with the processed FFB, it becomes 1.46 kWh/ton FFB. (Budget Prediction 3.31 kWh/ton FFB or more efficient that predicted) Efficiency information of fossil fuel energy, in the form of diesel fuel, and the efficiency analysis are available in the monthly Manager Report. Note: The Manager Report of May was created on 10 June 2011.	√
S1		
S2		
S3		
S4		
<b>5.5</b>	<b>Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>	
<b>5.5.1</b>	<b>Documented assessment where fire has been used for preparing land for replanting..</b>	
ST1	The company has a policy to not perform burning in land clearing and replanting, as written on the Minamas Plantation Land Clearing SOP Policy No 110/EST-ARM/08.	√
ST2	The company has Agronomical Reference Manual No. 110/EST-ARM/08, where in Section 4 Land Preparation clause 3.1 point (b) states that land clearing should follow the Plantation Affairs General Director Decree No. KB.110/SK/DJ BUN/05.95 on 30 May 1995 regarding the zero-burning land clearing technical guide for estate development. Therefore, the land clearing activity should follow the content of that letter. Field observation and field interview results at Binturung Estate (H 004 Block, plants of the year 2010) shows no traces of burning in the land clearing process.	√
S1		
S2		
S3		
S4		
<b>5.5.2</b>	<b>Records of implementation of zero burning policy.</b>	
ST1	Field observation, both at the mature plants area and at the new clearing area (plants of the year 2007 located at Kebun Sesulung Estate), shows no traces of burning in the land clearing process. The zero-burning documentation evidence will be verified further on Stage 2.	√
ST2	The company has the Guidelines for Sustainable Plantation Management document (Policy No. 724/TQEM-SPMS/09), stating that the company environmental policy supports the zero-burning land clearing technique for replanting activities. Field observation, both at the mature plants area and at the new clearing area (plants of the year 2009 – 2010 located at H 004 Block BNE), shows no traces of burning in the land clearing process. The company presented PT PSA Estate Unit Report, which gives information on activity records performed to achieve zero-burning land clearing. For example, Rampa Estate Unite Report of February 2008, on page 31: Land clearing cost and preliminary maintenance for LC plan of 508 ha. Based on the document, in February, the land clearing until February 2008 consisted of terracing of 142 ha, underbrushing 156 ha, felling 17 ha, burning not done, land clearing ( <i>perun</i> ) 190 ha, weed extermination 91 ha. It proves that the land clearing was done with zero-burning policy.	√
S1		
S2		
S3		

S4		
<b>5.5.3</b>	<b>Procedures and records of emergency responses to land burning (<i>Tanggap Darurat Kebakaran Lahan</i>).</b>	
ST1	The company has a document in form of Minamas Plantation Memorandum – Jakarta Head Office No. POD-UM-010/I/2009 on 22 January 2009 regarding the anticipation in coping with land fire and drought on the estate. Implementation of the memorandum will be verified further on Stage 2.	√
ST2	The company has Fire Fighting SOP with the scope of the oil palm estate and the environment surrounding the estate (Document No. PM 0800). In the procedure, there are explanation concerning the things below: <ul style="list-style-type: none"> <li>• Preparation covers the in-house fire fighting team formation, water sources identification and mapping, fire-prone estate location inventory creation, creation of “Fire Hazard” warning sign at fire-prone locations, at least one unit of fire tower construction for every estate, fire prone estate location monitoring, and fire fighting equipment.</li> <li>• Fire Control Procedure: Reports of fire from fire patrol or witnesses would be immediately investigated (fire fighting would be done and after the fire is out, consolidation should be done).</li> <li>• Administration and Reporting Procedure.</li> </ul> The company has implemented several points of the SOP, namely: <ul style="list-style-type: none"> <li>• There are fire towers at each PSA estate, for example: at Binturung Estate, the fire tower is on Division I Block B12; at PLE, the fire tower is on Division I Block H34; at SSE, the fire tower is on Division 3 Block R51.</li> <li>• There is a document of PT PSA fire prone area identification. It gives information on PSA area which are fire hazard area. For example, at BNE, the fire prone location is on area H24, A5, A6, A7, B9, C9.</li> <li>• There is a document of Water Sources Location for Fire Fighting at PT. PSA. The document gives information on water sources location that can be used to extinguish fire at PT. PSA. For instance, the water sources location for fire fighting at BNE are the reservoir on blocks C18, H24, H22, E22; and trench/river on blocks B22, B23, C21, C22, C23, F19, F20, F21, G18, G19 and G20.</li> <li>• There is a document of Fire Monitoring Result, which gives information on fire monitoring performed through the fire tower at PT PSA.</li> <li>• The company has conducted Fire Fighting Simulation (Emergency Response) on 5 February 2011, with Fahmi Handoko as the speaker; Fire Fighting Simulation at Binturung Estate as the material; attended by 20 participants.</li> </ul>	√
S1		
S2		
S3		
S4		
<b>5.5.4</b>	<b>Presence of appropriate fire extinguishers and facilities, depending on the risks assessment.</b>	
ST1	PSA has given several means of fire extinguishers on every estate. <u>Example:</u> means provided at SSE are fire fighting vehicle (1 unit of spraying truck and 1 unit of dump truck), Robin engine with 150 m hose (1 set), jute rag (10 pieces), hoe (5 pieces), cados (5 pieces), machete (5 pieces), shovel (3 pieces), helmets (5 pieces), bucket (3 pieces); means provided at PLE are water tank (1 unit), EY 20 Robin engine (1 unit), jute rag (5 pieces), sand barrel (2 pieces), machete (5 pieces), hose (20 meter), bucket (10 pieces). There is evidence that the company has conducted monthly function inspection of every fire extinguisher, in form of inspection cards attached on every fire extinguisher. However, the inspection is not apparent on other kinds of fire fighting apparatus. <b>The non-conformance on this indicator is CFA-2011.28</b>	<b>X</b>

ST2	<p>The company has conducted monthly/bi-monthly periodical inspections for fire fighting apparatus at every estate. The inspections are focused on the readiness and condition of fire fighting apparatus, for instance: at BNE, there are 1 unit of spraying truck (good condition), 1 spraying tank (good condition), 1 unit of Robin engine (good condition), 10 pieces of jute rags (good condition), 5 hoes (good condition), 10 cados (good condition), 10 machetes (good condition), 10 sickles (good condition), 5 garbu (good condition), 5 shovels (good condition), 5 buckets (good condition), and 5 ladles (good condition). The field inspection to BNE Fire Fighting Post shows that the existence and condition of fire fighting apparatus are in accordance with the data provided on the BNE Fire Fighting Equipment document.</p> <p>PT PSA has also done Fire Fighting Apparatus Evaluation by comparing the sufficiency fire fighting apparatus with the apparatus types declared on the SOP (Fire Fighting). The SOU Head Letter No. 04/RSPO/ESH/VI/2011 is an example of PT. PSA fire fighting apparatus evaluation result from the period of July – May 2011. Evaluation results indicate that the following fire fighting apparatus need to be added: protective goggles, boots, handy talky/communication devices, helmet, leather gloves and fire fighting vest. Therefore it was stipulated that the fire fighting apparatus is scheduled to be added to the point of compliance in July 2011.</p> <p><b>The non-conformance status CFA-2011.28 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>5.6</b>	<b>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</b>	
<b>5.6.1</b>	<b>Evidence of identification of pollution and emissions sources at mills</b>	
ST1	<p>There is a matrix of Identification Result of Waste Sources and Their Treatment provided on site, which includes pollution and emission sources in the mill. The matrix gives information on the emission and pollution sources in the mill, which among other are: boiler, diesel fuel tank, workshop, chemical storage room, office, laboratory, and canteen.</p> <p>The pollution and emission sources at the estate are not included.</p>	√
ST2	<p>Pollution and emission sources at the mill and estates have been identified, including on their treatment due to estate activities (since March 2011) and Pondok Labu POM (since November 2010). Air emission at the estate in forms of exhaust gas emission and noise pollution at the generator house at every estate are identified and included to the matrix of Waste Identification on Revision-1 on 6 June 2011 and scheduled to be handled on semester II of 2011. The company has identified and planned the management of methane gas at WWTP in Pondok Labu POM.</p>	√
S1		
S2		
S3		
S4		
<b>5.6.2</b>	<b>Monitoring of pollution and emission quality of the sources identified.</b>	
ST1	<p>There is a routine (every semester) monitoring done by the Occupational Health, Safety and Company Hygiene Agency, in form of Ambient Air Quality Monitoring Result (at the settlement and on the front section of the company), Work Environment Air Quality Monitoring Result, Boiler Emission Air Quality Monitoring Result, Noise Intensity Monitoring Result.</p> <p>The last monitoring was done in December 2010. Evaluation and corrective action performed, based on higher than the standard quality control values monitoring, will be evaluated on Stage 2.</p>	√

ST2	<p>Boiler and generator air emission monitoring was done by the POM. The last monitoring was done on 16 December 2010 and the next monitoring is planned to be done in June 2011. The air emission monitoring result is compared with the standard in KEP 13/MENLH/3/1995, which is the environmental quality standard, analyzed and then followed up.</p> <p>The quality standard in KEP 13/MENLH/3/1995 is also valid for the generator. Ambient air is compared with quality standard (Minister of Employment Letter No. SE-01/MEN/1997 – air chemical factor, Minister of Employment Letter No. 51/MEN/1999 – physical factor. All analysis result for mill and surrounding environment is complying with the quality standard, with the exception of noise, which is above the quality standard and is followed up with a stipulation of using earplugs (on work location).</p>	√
S1		
S2		
S3		
S4		
<b>5.6.3 Records of efforts and strategies employed to reduce pollution and emissions.</b>		
ST1	<p>POM manager explained that the POM is doing a number of efforts to reduce pollution and emission from the mill, such as boiler dust collector, dust airlock, combustion chamber and pipes cleaning every three month. But this is not recorded.</p> <p><b>The non-conformance on this indicator is NC-2011.29</b></p>	X
ST2	<p>Efforts and plans to reduce pollution and emission on boilers and generators are supported with periodical monitoring. The POM then schedule annual maintenance for boiler and generator engine. The POM can present records of maintenance done for the boiler unit, for instance: steam boiler cleaning and boiler engine inspection card bimonthly (data from July, September, November of 2010; January, March, May of 2011). The same goes with the records of generator engine maintenance. All of this are found on every estate for the scheduling and engine maintenance records.</p> <p><b>The non-conformance status NC-2011.29 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>5.6.4 Records of identification, monitoring, and treatment methodology for POME.</b>		
ST1	<p>The company has records of daily monitoring and monthly Palm Oil Mill Effluent quality analysis, which gives information on the liquid waste quantity produced and distributed to the estate. Prior to application, liquid waste is treated with aerobic and anaerobic process through 10 waste ponds.</p> <p>Periodical (every 3 months) monitoring is conducted to a number of environmental parameters, such as BOD5 concentration, COD, pH, TSS, lead and zinc. The monitoring is done at the first and last (tenth) pond, to ensure that the liquid waste used is complying with the requirements.</p> <p>As an example, monitoring result on 12 January on the application pond (No. 10) was recorded having an pH value 7.71 – 8.04 pH; BOD value 288 – 330 mg/l; COD 576.55 – 790.19 mg/l. All monitoring results shows that they still comply with the Kotabaru District Head Land Application Permit No. 188.45/414/KUM/ 2009 on 26 August 2009.</p>	√
ST2	<p>Palm Oil Mill Effluent Identification is performed using Waste Identification Matrix at the POM and monthly monitoring of liquid waste is performed at the last pond (No. 10) prior to land application use.</p> <p>Liquid waste treatment at POM is in form of IPAL (waste treatment with 10 ponds) consisting of raw effluent, cooling, sludge oil (if there is oil remaining), mixing pond, aerobic, anaerobic, application to land application. The last monitoring in April 2011 shows that the BOD parameter is still complying with the quality standard set in the Kotabaru District Head Land Application Permit No. 188.45/414/KUM/ 2009 on 26 August 2009,</p>	√



	then daily condition and pH (acidity) of the ponds are recorded, and each month, the records is analyzed by a third party, Baristan Banjarbaru. For example: April sample (May 2011 report): last pond pH 8.66 pH, BOD5 456 mg/l (note: inlet pond BOD5 23.940 mg/l). At the WWTP company has planned management of methane gas.	
S1		
S2		
S3		
S4		
<b>PRINCIPLE #6 RESPONSIBLE CONSIDERATION OF EMPLOYEES AND INDIVIDUALS AND COMMUNITIES AFFECTED BY GROWERS MILLS.</b>		
<b>6.1</b>	<b>Aspects of plantation and mill management including replanting that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive impacts are made, implemented and monitored to demonstrate continuous improvement.</b>	
<b>6.1.1</b>	<b>Documentation environmental and social impact assessment, including details of positive and negative effect that may be caused by plantations and mills, and documented participation of affected parties and local communities.</b>	
ST1	There is an Environmental Impact Analysis document in which are the matrix of Environmental Management Plan & Environmental Monitoring Plan for social economical cultural components covering Conflict, Community Perception and Economy. There is a document of PT Paripurna Swakarsa Oil Palm Estate Social Impact Analysis Results, January 2010. The document contains the positive and negative impacts occurring due to the company operation. The company is advised to complete the monitoring information and social impact management towards the community as written on the Environmental Management Plan/Environmental Monitoring Plan document and Social Impact Analysis Results Report, such as: potential conflict and current conflict, community perception changes, etc. <b>The non-conformance on this indicator is CFA-2011.30</b>	<b>X</b>
ST2	Similar with Stage-1. There are documents of Social Impacts January 2010 and AMDAL (Environmental Management Plan/Environmental Monitoring Plan) ratified in 1995. However, the company has not presented evidence that those two documents complement each other in their relation with social impacts due to company operation. <b>The non-conformance status CFA-2011.30 is declared open and its category is changed into minor.</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>6.1.2</b>	<b>Regular monitoring and management of social impact, with the participation of local community.</b>	
ST1	There is a document of PT Paripurna Swakarsa Oil Palm Estate Social Impact Analysis Results, January 2010, which was made with the participation of local community as the information source. On the next monitoring, it is advised that the local community is asked to be participating actively in management and monitoring to perfect the monitoring of social impact for long term. <b>The non-conformance on this indicator is CFA-2011.31</b>	<b>X</b>
ST2	Similar with Stage-1. PT PSA management has the document of Social Impact Analysis Results, January 2010. However, there is no plan for the follow up of periodical Social Impact Analysis with the participation of the local community. <b>The non-conformance status CFA-2011.31 is declared open and its category is changed into Minor.</b>	<b>X</b>

S1		
S2		
S3		
S4		
<b>6.1.3</b>	<b>Results of revision of environmental management document that encompasses social impact assessment in the event there are changes to company's operational scope, in accordance with existing regulations.</b>	
ST1	See explanation on 5.1.3 above. <b>The non-conformance on this indicator is CFA-2011.20</b>	<b>X</b>
ST2	Environmental Management Plan/Environmental Monitoring Plan semester II 2010 Report was sent to Environmental Agency of Kotabaru South Kalimantan. Environmental Management Plan/Environmental Monitoring Plan Report was revised or adjusted with the approved Environmental Management Plan/Environmental Monitoring Plan document. However, the measurement and monitoring results are still not covered in the Environmental Management Plan/Environmental Monitoring Plan (Environmental Impact Analysis) document, for instance: monitoring of vegetation and wildlife changes; monitoring of water level for flood hazard, job opening, community revenue increase, agricultural pattern. <b>The non-conformance status CFA-2011.20 is declared open and its category is changed into minor.</b>	<b>X</b>
S1		
S2		
S3		
S4		
<b>6.1.4</b>	<b>A regular and scheduled environmental management and monitoring Report.</b>	
ST1	There is periodical report of Environmental Management Plan and Environmental Monitoring Plan. Reports of Period I Year 2010 (January – July), and of Period II (July – December 2010) were sent to PSD on 5 April 2010. The types of environment management and monitoring are not fully performed according to the Environmental Management Plan & Environmental Monitoring Plan, which is written in Environmental Impact Analysis document. See also explanation on 5.1.2 above. <b>The non-conformance on this indicator is NC-2011.19</b>	<b>X</b>
ST2	PSA has presented document of PT Paripurna Swakarsa (PSA) Environmental Management Plan and Environmental Monitoring Plan, ratified by the Agribusiness Agency of the Agricultural Agency on 30 March 1995. Environmental Management Plan/Environmental Monitoring Plan semester II 2010 Report was sent to PSQM at Jakarta on 1 March 2011 to be given to the Environmental Affairs Agency of Kotabaru, South Kalimantan. However, the PSA could not present the receipt from the relevant agency for the Semester II 2010 reporting; and the revised or adjusted document with the approved Environmental Management Plan/Environmental Monitoring Plan is still not covering things as follows: monitoring of vegetation and wildlife changes; monitoring of water level for flood hazard, job opening, community revenue increase, agricultural pattern. <b>The non-conformance status NC-2011.19 is declared open and its category is changed into Minor.</b>	<b>X</b>
S1		
S2		
S3		
S4		

<b>6.1.5</b>	<b>Particular attention paid to the impacts of outgrower schemes (where the plantation includes such a scheme).</b>	
ST1	There is no implementation of plasma farmer scheme.	NA
ST2	Until Stage 2 was performed, there is still no plasma farmer scheme at PT. PSA, so that the indicator is not applicable.	NA
S1		
S2		
S3		
S4		
<b>6.2</b>	<b>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</b>	
<b>6.2.1</b>	<b>Documented procedures and records of communication and consultation with the communities.</b>	
ST1	<p>The company could not present records of communication and consultation between the company and the community.</p> <p>Communication records form is available on site, which consists of date, name/company (stakeholder), and the issue to be discussed.</p> <p>There is an SOP document No. PSA/SOP DK on 1 November 2010 regarding Communication and Consultation. It still needs revision by giving a clearer scope for the SOP and the communication media used (such as suggestion box or other means). To perfect the procedure, it is advised to review the Communication and Consultation Procedure ensuring that the communication and consultation covers: (1) employee and community, (2) stating the communication form that can be used, (3) stipulating the recording of communication results, and (4) providing communication and consultation forms that are widely accessible, including for the illiterate.</p> <p><b>The non-conformance on this indicator is CFA-2011.32</b></p>	X
ST2	<p>There is a revised Communication and Consultation SOP (Document number: <b>PSA/SOP DK</b>) on 11 April 2011. The procedure contains: 1). SOP scope, which are the employee and community; 2). Communication form that can be used; 3). Consultation recording process; 4). Consultation means.</p> <p>There is records of communication and consultation with the community (Document number: SE/PSA-F05-03). The records is in form of: 1). Conflict Settlement Recapitulation, 2). Minutes of Coordination Meeting with Binturung Village Community on 10 Mei 2011 regarding the land tenure between PSA and the village community. 3). Attendance List, 4). Documents in form of photographs.</p> <p><b>The non-conformance status CFA-2011.32 is declared closed.</b></p>	√
S1		
S2		
S3		
S4		
<b>6.2.2</b>	<b>Maintenance of a list of stakeholders</b>	
ST1	<p>The company has a stakeholders list including 4 (four) community figures at the village and sub-district levels, 9 (nine) village and sub-district officials, 17 district level government agencies, 3 (three) provincial level NGOs, and 8 (eight) central level government agencies (Jakarta). Not included in the list, is the companies surrounding/neighboring PSA. <b>The non-conformance on this indicator is CFA-2011.33</b></p>	X
ST2	<p>The company has completed the stakeholders list by adding the neighboring companies, such as: PT Langgeng Muara Makmur, PT Laguna Mandiri; and by categorizing NGOs according to their fields, such as: LSM Lamas, Gasak, Anak Kaki Gunung Sebatung. <b>The non-conformance status CFA-2011.33 is declared closed.</b></p>	√

S1		
S2		
S3		
S4		
<b>6.2.3</b>	<b>Records of local communities' aspiration and responses or followup actions by companies to these requirements.</b>	
ST1	There are records of community aspirations and their follow-up actions (document file number: F. 05). Since 2006, there has been 11 incoming mails considered by the company as community aspiration. A further study needs to be done on Stage 2.	√
ST2	There are records of Social Issues/Cases Handling Evaluation (document file number: <b>F.5.25</b> ) for 14 information requests. Those documents are filled with information concerning: 1) Community requests/cases or aspiration, 2). Types of complaints, 3). The company follow-up action, 4). The result of the follow-up. For instance: the community aspiration concerning the transportation difficulties the community experience when seeking medical treatment was followed up with a vehicle unit by sending an ambulance unit on 3 April 2010.	√
S1		
S2		
S3		
S4		
<b>6.2.4</b>	<b>A dedicated person responsible for consulting and communicating with local communities.</b>	
ST1	The company stipulates that the Senior Assistant at every estate is responsible for the consultation and communication with the community. This is stated based on the SOU-10 Pondok Labu Head Letter No. PSA-Int/001/XII/2010 on 1 December 2010, regarding: The Appointment of Fahmi Handoko as the person in charge of consultation and social aspects.	√
ST2	Appointment Letter of Person In Charge of Consultation and Social Aspects issued by Operational Manager at every estate and mill (document file number F.14). The person in charge of consultation and social aspect of each estate is the Estate Administration Head.	√
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>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>	
ST1	The organization has Community Complaints Handling SOP, and Communication and Consultation SOP to receive complaints from all parties. However, both SOPs have not include a dispute settlement procedure accepted by all affected parties (See explanation on 2.2.5 above). <b>The non-conformance on this indicator is NC-2011.08</b>	<b>X</b>
ST2	The Community Complaints Handling SOP has been revised (Document number: <b>PSA/SOP MPK</b> , Revision 01). Communication and Consultation SOP has been revised (Dokument number: <b>PSA/SOP DK</b> , Revision	<b>X</b>

	<p>01). Conflict Settlement SOP is now available (Document number: <b>056.PSA.PK/C12</b>).</p> <p>Based on the interview with Sesulung Village Head, it is known that the company has not socialized the mechanism or SOP, although until that moment then, there is no conflict between PT PSA and the local community.</p> <p><b>The non-conformance status NC-2011.08 is declared open and its category is changed into Minor.</b></p>	
S1		
S2		
S3		
S4		
<b>6.3.2</b>	<b>Records of handling of the complaints.</b>	
ST1	<p>Based on the explanation of Senior Assistants, PSA has never been involved in any conflict with local community, so there were no records.</p> <p>Further verification on Stage 2.</p>	√
ST2	<p>The organization has records of complaints handling (Document number: <b>SE/PSA/F05-03</b>) on 14 April 2011. The records consist of: 1). Conflict Settlement Recapitulation, 2). Minutes of Coordination Meeting with the Binturung Village Community on 10 May 2011, 3). Attendance List, 4). Documentation in forms of photographs.</p>	√
S1		
S2		
S3		
S4		
<b>6.3.3</b>	<b>Procedures for the identification and calculation of fair compensation for the loss of legal or customary right of the land, with the involvement of local community representatives and relevant agencies and made publicly available..</b>	
ST1	<p>Procedure to identify and to calculate compensation of legal and traditional rights of land is not available on site. Further verification on Stage 2 (Compensation decision is on the Public Service Department level)</p>	<b>X</b>
ST2	<p>There is an Identification and Land Compensation Standard (Document number: <b>001/PSD-L&amp;AS</b>) on 3 June 2011 which covers information of compensation stages and compensation calculation based on the standard set by the Kotabaru District Government. Based on the Information Request SOP, the document is included in document group accessible to public. In terms of compensation calculation, the company presented records of: a). receipt of land compensation, b). Land Rights Release Statement, including Land Acquisition Map, c). documentation in form of photographs.</p>	√
S1		
S2		
S3		
S4		
<b>6.4</b>	<b>Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions..</b>	
<b>6.4.1</b>	<b>Procedures for the identification, calculation and compensation for the loss of legal or customary rights of the land, with the involvement of local community representatives and relevant agencies.</b>	
ST1	<p>Further verification on Stage 2 (Compensation decision is on the Public Service Department level).</p> <p>See explanation on 6.3.3 above.</p>	<b>X</b>

ST2	The company has a procedure to identify and to calculate compensation of legal and traditional rights of land in the form of Identification and Land Compensation Standard ( <b>001/PSD-L&amp;AS</b> ) on 3 June 2011, which was composed by PSD referring to the land compensation standard set by the Kotabaru District Government. The company presented records of: a). receipt of land compensation, b). Land Rights Release Statement, including Land Release Map, c). documentation in form of photographs.	√
S1		
S2		
S3		
S4		
<b>6.4.2</b>	<b>Records of identification of people entitled to receive compensation.</b>	
ST1	There is Compensation Distribution Report which consist of: a). Minutes of Compensation Meeting, b). receipt of land compensation, c). Land Rights Release Statement, d). documentation in form of photographs ( <b>Criteria 2.2.4</b> ).	√
ST2	There is an example of land acquisition records approved by both parties, which are Hasan Hindi and the Minamas Management, which was witnessed by community figures, neighborhood leader and Head of Binturung Village. The records consist of: a). receipt of land compensation of IDR 20,000,000, b). Land Rights Release Statement, including Land Release Map, c). documentation in form of photographs on 8 January 2009.	√
S1		
S2		
S3		
S4		
<b>6.4.3</b>	<b>Records of negotiation process and/or general compensation agreement should be made available.</b>	
ST1	Refer to indicator 6.4.2, ST-1	√
ST2	Refer to indicator 6.4.2, ST-2	√
S1		
S2		
S3		
S4		
<b>6.4.4</b>	<b>Records of the implementation of compensation payment</b>	
ST1	Refer to 6.4.2, ST-1	√
ST2	Refer to 6.4.2, ST-2	√
S1		
S2		
S3		
S4		
<b>6.5</b>	<b>Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</b>	
<b>6.5.1</b>	<b>Documentation of employees' pay rates.</b>	
ST1	There is a list of Employee Wages. All PT. Paripurna Swakarsa employee receive wages above the Regional Minimum Wage of South Kalimantan Province (Example of the minimal wages are on the maintenance workers with wages of IDR 1,350,000). The Regional Minimum Wage of South Kalimantan Province in 2011 is IDR 1,126,000 (Decree of South Kalimantan Governor No. 188.44/0441/KUM/2010).	√

ST2	The Regional Minimum Wage of South Kalimantan Province in 2011 is IDR 1,126,000 (Decree of South Kalimantan Governor No. 188.44/0441/KUM/2010). Based on field inspection and interviews with several employees (Ms. Rina, garden worker; Ms. Rahima, census worker; Mr. Satriani, spray worker; Mr. Joharte, spray worker; Mr. Mugiharjo, Agrochemical Storage Room Head, Mr. Triyanto, Mosque handler), it is known that PT PSA has given wages above the applicable WMR of South Kalimantan.	√
S1		
S2		
S3		
S4		
<b>6.5.2</b>	<b>A company working regulations and work contracts, in accordance with existing regulations.</b>	
ST1	There is company regulation No. 001/HRM-KPW/1/2011 valid since 6 January 2011. There is Collective Labor Agreement (CLA) 2007 – 2009. Collective Labor Agreement (CLA) 2010 – 2012 is approved by all the parties. The transcript is waiting for completion from the printing houses. The Collective Labor Agreement (CLA) will be valid starting from 25 January 2010 until 24 January 2012. Ensure the Collective Labor Agreement (CLA) is signed and made valid on Stage 2.	√
ST2	The company has Collective labor agreement (CLA), presented during observation to the Estates Head Office, for the 2010 – 2012 period, which was authorized by Labor and Transmigration Agency of the Republic of Indonesia (on the behalf of the General Director, Work Requirement Director, Welfare and Discrimination Analysis Director) on 3 November 2010.	√
S1		
S2		
S3		
S4		
<b>6.5.3</b>	<b>Growers and millers provide adequate housing, water supplies, medical, educational, and other facilities for employees where such facilities are not available or accessible.</b>	
ST1	There are public means needed by employees and their families. The means are, among others: Elementary school at every estate (and the school bus service), Junior High School and Vocational High School at Bebunga Estate, Health Clinic at each Division (Main Office), market at every estate (such as the Thursday market on Binturung Village). Verification of the number and condition of the facilities provided will be on Stage 2.	√
ST2	The company has PT PSA employee facilities list in form of public facilities matrix (G1 houses, G2 houses, kindergarten, elementary school, junior high school, polyclinic, mosque, church, day-care center, employee hall, football field, volleyball court, and badminton court) and several of each facility for every estate. Based on the field visits, such as BNI Division I housing complex, BNE Division I mosque, BNE day-care center, SSE volleyball court, SSE football field, BNE church, BNE Division IV polyclinic, PLE employee hall, it is known that the means and facilities at PSA are all in decent condition, Sources of clean water for employees from housing wells.	√
S1		
S2		
S3		
S4		
<b>6.5.4</b>	<b>Agreements entered into with contractors are to specify that contractors abide by labor laws.</b>	
ST1	There is a clause in the Working agreement which requires workers from the contractor party (second party) using their own Personal Protection Equipment, complying with traffic regulations and Occupational Health and Safety regulations (Article 3 Requirements and Technical Aspects of Work Execution). Implementation verification on Stage 2.	√

ST2	On the Mutual Working Agreement with the contractor, such as Mutual working agreement No.124/SSE/SPK-LKL/IV/11, there is Article 3 regarding Requirements and Technical Aspects of Work Execution. On point 3.4, the second party (contractor) has to ensure workers using their own Personal Protection Equipment, complying with traffic regulations and Occupational Health and Safety regulations. Based on field inspection to the BNE housing complex developer location and interview with Mr. Hasan (CV Sesulung Putra Foreman), it is known that the company requires contractors to use Personal Protection Equipment, to give adequate wages (above the Regional Minimum Wage), and to give health benefits to employee.	√
S1		
S2		
S3		
S4		
<b>6.6</b>	<b>The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</b>	
<b>6.6.1</b>	<b>Documented company policy recognizing freedom of association.</b>	
ST1	There is a Minamas Plantation Federation of Worker's Union for Staff and Non-Staff founded on 13 October 2006. There is the PT Paripurna Swakarsa Worker's Union founded on 17 October 2005 with the validation from the Labor and Transmigration Agency of Kotabaru District No.568/44/Disnakertrans. The company structure of PT Paripurna Swakarsa Worker's Union 2010 – 2012 is awaiting the validation process from the Labor and Transmigration Agency of Kotabaru District. Further verification is on main assessment.	√
ST2	The company has a policy written on the Collective labor agreement (CLA) Article 8 Point 1 regarding the company acknowledgement that Worker's Union is the rightful employee company in representing and acting for and behalf of the workers whom it is consisted of and has the professional relation with the company as equal partners. And Chapter II Article 6 Point 2 regarding Company Obligation Towards Worker's Union, which states that the company gives the opportunity for administrator and/or members of the Worker's Union to perform worker's union activities approved by both parties and/or activities regulated by the applicable regulations. There is a Minamas Plantation Federation of Worker's Union for Staff and Non-Staff founded on 13 October 2006. There is the PT Paripurna Swakarsa Worker's Union founded on 17 October 2005 with the validation from the Labor and Transmigration Agency of Kotabaru District No.568/44/Disnakertrans. The company structure of PT Paripurna Swakarsa Worker's Union 2010 – 2012 is awaiting the validation process from the Labor and Transmigration Agency of Kotabaru District (based on the Letter SP-PSA-naker/007/V/2011 complimented with the receipt from the Labor and Transmigration Agency of Kotabaru District).	√
S1		
S2		
S3		
S4		
<b>6.6.2</b>	<b>Documented company policy recognizing freedom of association.</b>	
ST1	There was a meeting between the Federation of Minamas Plantation Worker Union with the management on 12 March 2010 at Bogor. The meeting discussed the Collective labor agreement (CLA) period 2010 – 2012.	√
ST2	The company presented records of meeting with the Worker Union (SPSI) on 14 September 2010, at the BNE Head Quarters attended by 25 participants, concerning the support and aspiration of PT. PSA Worker Union.	√



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>6.7.1</b>	<b>Documented company policy on worker age requirement, in accordance with national laws.</b>	
ST1	There is a PT. Paripurna Swakarsa Sesulung Estate Senior Manager Letter No. 12/SSE-Int/I/2010 regarding the minimum age limit (18 years old) and maximum age limit (35 years old) for new employee recruitment. However, it is advised that the company review Clause 7 of Senior Manager Letter No. 12/SSE-INT/1/2010 regarding age limit which states: "In the event of an employee recruited with violation to the age limit, any occurring risk is the responsibility of the individual in question." It goes against Article 3 Point (1) of Act No. 20 Year 1999. <b>The non-conformance on this indicator is CFA-2011.34</b>	X
ST2	The company presented Mutual Work Agreement Article 16 regarding Employee Recruitment point 1.2.2 which states that the general requirement obligated to be fulfilled on accepting employee candidate is that the employee has to be 18 years of age at the time of recruitment. The company implements the policy of employee recruitment with a minimum age limit of 18 years in accordance to the policy letter of every estate manager. For example, PT. Paripurna Swakarsa PLF Manager Letter No. 182/PLF-Int/I/2010 regarding the minimum age limit (18 years old) and maximum age limit (35 years old) for new employee recruitment, and PT. Paripurna Swakarsa SSE Manager Letter No. 78/SSE-Int/I/2010 regarding the minimum age limit (18 years old) and maximum age limit (35 years old) for new employee recruitment. The document is the revision document of PT. Paripurna Swakarsa Sesulung Estate Senior Manager Letter No. 12/SSE-Int/I/2010 where Clause 7 of Senior Manager Letter No. 12/SSE-Int/I/2010, regarding age limit which states: "In the event of an employee recruited with violation to the age limit, any occurring risk is the responsibility of the individual in question." has been eliminated. <b>The non-conformance CFA-2011.34 is declared closed.</b>	√
S1		
S2		
S3		
S4		
<b>6.7.2</b>	<b>Records of implementation of company policy on worker age requirements.</b>	
ST1	There is PT. Paripurna Swakarsa Employee Data last updated March 2011. There is no employee below 18 years of age. (workwr list file number F.02)	√
ST2	Similar with Stage-1. There is no underage employee (below 18 years of age). The company showed employee list giving information on birth date, work enrollment date, and employee age. Based on that employee list, the youngest employee in PT PSA is Milino. G, birth date 06 September 1991 and work enrollment date 2 January 2010, making him 18 years and 4 months of age.	√
S1		
S2		
S3		
S4		
<b>6.8</b>	<b>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</b>	
<b>6.8.1</b>	<b>A documented equal opportunities policy.</b>	
ST1	There is an SOP of Sustainable Plantation Management Guide published by the Minamas Plantation Indonesia (Policy No. 724/TQEM-SPMS/09) on 27 August 2010, covering the company policy on equal opportunity written on point regarding Company Social Policy.	√

ST2	There is an SOP of Continuous Plantation Management Guide published by the Minamas Plantation Indonesia (Policy No. 724/TQEM-SPMS/09) page 13 on 27 August 2010, covering the company policy on equal opportunity written on point 1: All staff/employee have to be treated equally and fairly on anything involving recruitment, development, condition and work depiction based on race, caste, nationality, religion, disabilities, gender, sexual orientation, workers' union membership, political affiliation or age.	√
S1		
S2		
S3		
S4		
<b>6.8.2</b>	<b>Evidence of equal treatment in working opportunities for workers.</b>	
ST1	There is the document of PT. Paripurna Swakarsa Employee List, which presents the employee background based on tribe, religion, originating region (15% local resident and 85% migrant resident). Further verification concerning career hierarchy on Stage 2.	√
ST2	Based on interview with the company Administration Division Head, the mechanism written on the Collective labor agreement (CLA) document Article 16 regarding the employee recruitment: <ul style="list-style-type: none"> <li>1. Employee Candidate Selection: done by businessman according to the specification and qualification of the position needed.</li> <li>2. General Requirements: Indonesian citizen, minimum age of 18 on admittance or married, physically and mentally healthy, fulfilling the criteria or requirement of the position needed, not involved with forbidden business, not in a process of criminal trial, not in another work agreement with another party, willing to be located where needed.</li> <li>3. Probation Period: 3 months, performance appraisal towards the candidate is done during the probation period.</li> </ul> Article 17 regarding Employee Appointment: Candidate who goes through the probation period of on the job training (OJT) will be appointed as an employee with an Appointment Letter.	√
S1		
S2		
S3		
S4		
<b>6.9</b>	<b>A policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights are developed and applied.</b>	
<b>6.9.1</b>	<b>A documented company policy on sexual harassment and violence</b>	
ST1	SOP for Sustainable Plantation Management Guidelines released by Minamas Plantation Indonesia (Policy no: 724/TQEM-SPMS/09), on 27 August 2010 was included in Social Policy. Gender Committee was established by PT. Paripurna Swakarsa on 1 December 2010 (also available Company Structure & Guidelines to the Applications of Gender Policy of Minamas Plantation (Policy No: 701/TQEM-ESH/10). Gender Committee will be functioning as and responsible for monitoring and evaluating the effectiveness of the gender policy application in the company. More in-depth verification is performed during Stage 2.	√
ST2	Company policy regarding the prevention of sexual harassment and violence and documented is available in form of document of SOP for Sustainable Plantation Management Guidelines released by Minamas Plantation Indonesia (Policy no: 724/TQEM-SPMS/09), on 27 August 2010 included in Social Policy: All staff/employees are entitled to a fair and equal treatment in areas related to recruitment, progress, job condition and description, regardless the race, social class, ethnical background, gender, skin color, disabilities (handicaps), sexual preferences, company membership, political views, religion and age.	√

S1		
S2		
S3		
S4		
<b>6.9.2</b>	<b>A documented company policy on the protection of reproductive rights</b>	
ST1	A circular memo is available on the subject of Equal opportunity and treatment & Protection for female employees on 10 October 2010 (No: 146/BNE-Int/10/2010)	√
ST2	The company shows the policy regarding the protection of reproductive rights is based on Collective Labor Agreement (CLA) for the period of 2010 – 2012, Chapter VII article 33 paragraph 1, in which it is stated that the female workers are entitled to a full paid maternity leave for 1.5 months prior to and for 1.5 months after giving birth in accordance with what the obstetrician or the midwife would have estimated. Female workers who experience a miscarriage are entitled to a 1.5 months leave afterwards with doctor's consent. For female workers who are still breastfeeding their child, the company gives a reasonable dispensation time to breastfeed their child in the office with the approval of their superiors.	√
S1		
S2		
S3		
S4		
<b>6.9.3</b>	<b>Proof of implementation of sexual harassment policy</b>	
ST1	There is Collective Labor Agreement (CLA) 2010-2012 which regulates the prevention of sexual harassment (Article 28, paragraph 2.6). More in-depth verification is performed during Stage 2.	<b>X</b>
ST2	There is Collective Labor Agreement (CLA) 2010-2012 which regulates the prevention of sexual harassment (Article 28, paragraph 2.6) and also states that the company prohibits each worker from gambling, consuming alcoholic beverages, performing obscene acts or committing sexual harassment in the workplace environment, as well as accessing pornography websites and/or disseminating pornographic images.	√
S1		
S2		
S3		
S4		
<b>6.9.4</b>	<b>Proof of implementation of reproductive rights policy</b>	
ST1	Samples of documents for pregnancy/maternity leave paper works are available under the name of Susanti from the Division's midwife/nurse (Number: 05/SSE-Intrn).	√
ST2	Foreman Activity Book (FAB) is available on site, which covers the information on workers conditions in that section, including pregnancy information of female workers. <u>Example:</u> on a Book for Spraying Maintenance Foreman (0207) Division II, there is a medical examination result on 20 June 2010 from Zaeni (Division's Midwife/Nurse), which states that Mrs. Susanti (spray worker) is Confirmed to be Pregnant. For that reason, the aforementioned Mrs. Susanti is transferred to the work type code 0206 (plant treatment works separated from chemical substances, such as treating and planting beneficial plant) effective on 22 June 2010	√
S1		
S2		
S3		
S4		

<b>6.9.5</b>	<b>Specific grievance mechanism is available.</b>	
ST1	Gender Committee is assigned to monitor and evaluate the effectiveness of the implementation of gender policy in the company. More in-depth verification is done during Stage 2.	√
ST2	There is a designated mechanism to handle complaints specifically related to gender in the complaint handling procedure specific to gender issues within the SOP for Minamas Plantation Gender Policy Implementation (No. 700/PD-KG/10) in point 6.4, which is explained that: filing a report to be submitted to local Gender Committee using Complaint Form, which will be collected by a member of Committee who will do the following: conducting a preliminary investigation, securing the scene and the evidence, preparing documentation and photographs, completing and examining the report filed, classifying the incidents, collecting witness statements, and submitting the complaints to the chairman of the Gender Committee. The Chairman of the Committee then assigns an Internal Investigation Team who will submit the investigation results to the local management within 5 days after the investigation. Reporting (data of incidence, chronology and fact findings). When objective evidence is sufficiently supplied, only then the Unit Manager applies disciplinary action upon the offender.	√
S1		
S2		
S3		
S4		
<b>6.10</b>	<b>Growers and mills deal fairly and transparently with smallholders and other local businesses.</b>	
<b>6.10.1</b>	<b>Current and past prices paid for FFB shall be publicly available.</b>	
ST1	Not applicable.	NA
ST2	Not applicable. PSA is only managing primary estates from 4 (four) estates (BNE, RPE, PLE, and SSE); and does not work on the price setting since they are not purchasing FFB from other party or plasma.	NA
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>	
ST1	Not Applicable	NA
ST2	Not Applicable, PSA is only managing primary estates from 4 (four) estates (BNE, RPE, PLE, and SSE); and does not work on the price setting since they are not purchasing FFB from other party or plasma.	NA
S1		
S2		
S3		
S4		
<b>6.10.3</b>	<b>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</b>	
ST1	Mutual Working Agreement is available for each type of work executed by PT. Paripurna Swakarsa with other parties cooperatively. Example: Mutual Working Agreement between PT. Paripurna Swakarsa and CV. Sesulung Putra for the procurement of sand and stone (SPK. No. 077/SSE/SPK-LKL/II/11/Lokal)	√

ST2	Subcontractor is available for the estate and POM with whom the Mutual Working Agreement is prepared and mutually agreed and will be reviewed every 3 months by the company.	√
S1		
S2		
S3		
S4		
<b>6.10.4 Agreed payments must be made in a timely manner.</b>		
ST1	Payments shall be made in accordance with the agreement in the Mutual Working Agreement that the work will be payable 30 days upon the signing of contract. <u>Example:</u> Proof of payment (Bank Voucher) No. 10/III/2011 on 7 March 2011 to CV. Sesulung Putra for the procurement of sand & stone.	√
ST2	As per results of interviews with foremen and workers from building contractor in the new residential development area in BNE, is it explained that according to the agreement, payment will be made by the company after The Minutes of the completion of work is submitted and will made on time.	√
S1		
S2		
S3		
S4		
<b>6.11 Growers and millers contribute to local sustainable development wherever appropriate.</b>		
<b>6.11.1 Records of company's contribution to the local development.</b>		
ST1	There is a record of Community Development (CD) program provided by the company for the stakeholders within the work area. However, the contributions given were regarded as merely momentarily as they did not offer a more extensive and continuous value. Example: monthly honorarium given to the Village and Sub district Official Administrators. With regards to the above, it is highly advisable that the Company revisits the previous CSR/CD programs, in order to reduce the programs that are charitable. CSR programs are supposed to be set up using the identification results on the priority needs (basic needs) of the community or people affected, as well as considering the gender issues. It is also essential to socialize on the CD/CSR program plans that company will offer. <b>The nonconformance in this indicator is CFA-2011.35.</b>	X
ST2	The Company thus far, does not have the CSR programs that are set up using the identification results on the priority needs (basic needs) of the community or people affected, including the consideration on the gender issues and to socialize on the Community Development / Corporate Social Responsibility (CD/CSR) program plans that the company will offer. <b>The nonconformance in this indicator, CFA-2011.35, is Open.</b>	X
S1		
S2		
S3		
S4		
<b>PRINCIPLE #7 RESPONSIBLE DEVELOPMENTS OF NEW PLANTINGS.</b>		
	Not Applicable. No development of new estates and new plants for the last planting year of 2009. While the year of 2010/2011 is for the exploitation of cleared land (previously for the mills) of 80 ha of which 67 ha is planted with oil palm in Binturung Estate. This 80 ha area was already cleared before 2005 for the development of Palm Oil Mill capacity, however it was not done so it was used for the nursery, residential and oil palm plantations covering an area of 67 ha.	NA

<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>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 include, but not necessarily be limited to: Reduction in use of certain chemicals (criterion 4.6), Environmental Impacts (criterion 5.1), Waste Reduction (criterion 5.3), Pollution and Emission (criterion 5.6), Social Impacts (criterion 6.1).</b>	
ST1	Not Applicable due to the fact that the assessment is only conducted on Stage 1.	<b>NA</b>
ST2	Monitoring of environmental impacts has been conducted on a regular basis and evaluated in accordance with the reporting of Environmental Management Plan and Environmental Monitoring Plan (RKL and RPL). The monitoring and measurement results of the environmental aspects of operational activities of PSA still meet the environmental quality standard and do not cause social impacts. Efforts and attempts made to the environmental impacts are well maintained by the Company. However, a number of environmental monitoring has not been fully carried out periodically; as a result the action plans have not been able to be set out in conducting continuous corrective actions, e.g. the measurement of water quality of rivers and reservoirs in every estate, the revenues increase or employment opportunities. <b>Nonconformance in these indicators is NC-2011.44 in a Minor category.</b>	<b>X</b>
ST2		
S1		
S2		
S3		
S4		
<b>8.1.2</b>	<b>Records of follow-up actions taken against RSPO audit findings, if any.</b>	
ST1	There is currently no recorded information on the follow-up to RSPO audit during Stage 2.	<b>NA</b>
ST2	Based on the results of visit during Stage 1, PSA is to follow up by putting together a checklist of RSPO certification assessment. PSA is to determine the person responsible for (personal in charge), the location, as well as to perform the corrective actions and the follow-up evidence prepared, the status of compliance compared to the reference or the standard of RSPO.	√
S1		
S2		
S3		
S4		

<b>Attachment 2. Supply Chain Checklist</b> (ref. RSPO SCCS, November 2009, Approved by RSPO Executive Board 5 November 2009, Final version Rev 1 approved by RSPO Executive Board, ANNEX: Overview Supply Chain certification requirements for different supply chain models)				
Clauses	Requirements	Supply Chain Model		
		IP	SG	MB
<b>1</b>	<b>Documented procedures</b>			
1.1	The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:			
	a) Complete and up to date procedures covering the implementation of all the elements in these requirements	Yes	Yes	Yes
ST2	<p>There is a Standard Operating Procedures (SOP) on product traceability (traceability/RSPO/4.1/KP) dated 4 March 2009 intended to the identification of raw materials and finished products to distinguish the connections between the raw materials and product quality to facilitate the investigation of the resulting products. The series of activity range from the receipt of fruits (Fresh Fruit Bunch – FFB), production process, the warehouse for finished materials, bulking station, and the process of product delivery to the buyers.</p> <p>The process of fruit receipt is recorded in the Fruit Receipt Form (SPB) which indicates the following: name of company (PSA), name of estate unit, name of Division, block number, year of planting, date of harvesting, date of freight of FFB, driver's name and vehicle's number.</p> <p>The process of fruit receipt at loading ramp must record the following: name of estate's origin, estate's Division, block number, year of planting, harvesting intervals, numbers of bunches, date of harvesting, as well as the record related to grading for yield percentage. On the whole, both forms can be either used to trace the origin of fruits or as the comparison for claiming of Mass Balance.</p> <p>In addition, the company keeps a Working Instruction for grading works related to quality and yield determination, e.g. determination of hauling trucks during fruit grading stage, determination of grading samples, grading of Fresh Fruit Bunches (FFB), contamination grading, freshness grading, hopper cleaning after FFB grading, grading data reporting.</p>			√
S1				
S2				
S3				
S4				
	b) Complete and up to date records and reports that demonstrate compliance with these requirements (See 5 for more details) and that are 100% verifiable by the auditor.	Yes	Yes	Yes

ST2	<p>Records relating to processed fruits (origin known upon receipt) are prepared every day.</p> <p>The process to produce CPO is recorded in the daily report, which contains the following information: the origin and the amount (in TON) of FFB, total number of CPO and Kernel productions (in TON), and the quality (in percentage). The result calculation can be collected from CPO yields (the grading results from primary estate) therefore the origin of FFB is traceable.</p> <p>For the past 3 (three) years Palm Oil Mill (POM) of PSA receive only products from 4 (four) primary estates, thus it can be ensured at the time of process and claim that the products come from certified estates (4 estates).</p> <p>Daily production report is a daily data used to identify the origin of FFB (estates) and the number of incoming FFB to be processed.</p>			√
S1				
S2				
S3				
S4				
	c) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the facilities procedures for the implementation of this standard.	Yes	Yes	Yes
ST2	Mr. Mujiono (Pondok Labu POM Manager, Sesulung Village, Pamukan Selatan Subdistrict, Kotabaru District, South Kalimantan)			√
S1				
S2				
S3				
S4				
<b>2</b>	<b>Purchasing and goods in</b>			
2.1	The facility shall ensure that purchases and deliveries of RSPO certified palm oil and palm oil products are done in conformance with the following requirements:			
	a) Purchase orders for RSPO certified palm oil or palm oil product shall specify the material category (Identity Preserved, Segregated or Mass Balance).	Yes	Yes	Yes
ST2	<p>NA; the Non Applicable Purchase Order is issued for the specified material category. POM does not purchase the source of FFB.</p> <p>The purchase of FFB source by POM is not for the reason that they are in the same LMR business groups, but in the form of daily taxation and monthly and annual forecasts.</p> <p>The material in that category is not mentioned since it comes from its own business group, PT LMR.</p> <p><u>For example:</u>  A 3 monthly forecast report, June 2011 (BBE 5,400 TONS, SCE 5,875 Tons, BKE 5,250 Tons), July 2011 (BBE 4,531 Tons, SCE 6,285 Tons, BKE 5,100 Tons).  Daily report dated 28 May 2011, BBS 250.61 Tons, SCE 247.840 Tons, BKE 239.920</p>			√ (NA)



	Tons. P/O is not used for KKPA (non-certified), instead, it is prepared in a form of Forecast and a one year budget report split into monthly, and is to be reviewed every day.			
S1				
S2				
S3				
S4				
	b) When receiving RSPO certified palm oil the facility shall check if the material category/applicable supply chain model (Identity Preserved, Segregated or Mass Balance, see also req. 5.4) is clearly stated in the accompanying documentation and the Supply Chain Certification number of its supplier is mentioned.	Yes	Yes	Yes
ST2	NA; for the reason that the category of certified palm oil is not accepted. The receipt recording is done using Fruit Receipt Form (SPB) attached to every fruit delivery.			√ (NA)
S1				
S2				
S3				
S4				
	c) The facility receiving RSPO certified palm oil or palm oil products shall ensure that the validity of accompanying trade and shipping documentation is verified prior to accepting the RSPO certified palm oil. For facilities that are required to announce and confirm trades in the RSPO Traceability/UTZ Certified system (all processing facilities up and until refinery) this shall include making Shipping Announcements and Shipping Confirmations in the UTZ Certified system on the delivery level. For facilities that are not required to announce and confirm trades in the RSPO Traceability/UTZ Certified system (all processing facilities after refinery) this shall include a check of the validity of the Supply Chain Certification of its suppliers at the moment of delivery. This shall be checked via the list of RSPO Supply Chain Certified facilities on the RSPO website <a href="http://www.rspo.org">www.rspo.org</a> or the RSPO traceability system/UTZ Certified system The validity of the Supply Chain Certification of its suppliers at the moment of delivery. This shall be checked via the list of RSPO Supply Chain Certified facilities on the RSPO website <a href="http://www.rspo.org">www.rspo.org</a> or the RSPO traceability system/UTZ Certified system	Yes	Yes	Yes
ST2	The Fruit Receipt Form (SPB) is used to include the incoming fruits and is clarified at the time of incoming FFB to be processed. The validation will then take place at the weighing machine (Sime Weigh program), where the fruit will not be accepted if it does not originate from the Fruit Receipt Form (SPB) programmed for one year (SPB numbers have been prepared a year prior to being used). It is applicable for the origin of primary estates and other estates (if any). There is a Memorandum for Sime Weigh program in connection with SPB validation, where the fruit will not be accepted if it is not included or registered in the system of sime weigh program; and the mechanism of registration is used for the following year.			√
S1				

S2				
S3				
S4				
2.2.	The facility shall have a mechanism in place for handling non-conforming material/documents. This mechanism should also be used to declassify the RSPO material when the Supply Chain certification of a supplier is found to be invalid. See also req. 4.1	Yes	Yes	Yes
ST2	In practice, if there is any inconsistency in the document for the incoming or received FFB, PSA shall confirm it to the driver by verifying with the estate (who issued the SPB). The mechanism or procedure in handling the non-conformance of raw material document is yet available. <b>The non-conformance in this indicator is NC-2011.45 with Minor category.</b>			X
S1				
S2				
S3				
S4				
<b>3</b>	<b>Sales and goods out</b>			
3.1	The facility shall ensure that all sales invoices issued for RSPO certified palm oil delivered include the following information:			
	<ul style="list-style-type: none"> <li>a) The name and address of the buyer;</li> <li>b) The date on which the invoice was issued;</li> <li>c) A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance (; see also req 5.4)</li> <li>d) The quantity of the products delivered;</li> <li>e) Reference to related transport documentation.</li> </ul>	Yes	Yes	Yes
ST2	An invoice is issued by POM (logistic Division to be forwarded to Marketing) mentioning the name and address of the buyer, the date of invoice, product description ( <i>however, it does not sort out the material category based on the scope</i> ), and the number of products delivered.  The Minutes and CPO Invoice to be delivered should prepare and mention the material category. <b>Non-conformance in this indicator is NC-2011.46 with Minor category.</b>			X
ST2				
S1				
S2				
S3				
S4				

<b>4</b>	<b>Processing</b>			
4.1	The facility can only use the same supply chain model as its seller or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance -> Non RSPO Certified Palm Oil	Yes	Yes	Yes
ST2	<p>There is a daily report on production that mentions the number and origin of FFB, CPO and kernel results and their quality, grading results (quality) from each estate. The calculation of distribution for each estate is made afterwards. (OER – Oil Extraction Ratio – Yield) is made using the Penalty System program.</p> <p>Pondok Labu Factory (PT PSA) has also Monthly Crop Report for Pondok Labu Factory (prepared monthly), example:</p> <p>May 2011 BNE TBS 6,710.25 Tons – CPO 1,530.06 Ton – OER 22.80%.</p> <p>PLE TBS 6,800.91 Tons, CPO 1,554.68 Tons, OER 22.86%.</p> <p>RPE TBS 4,918.19 Tons, CPO 1,088.99 Tons, OER 22.14%</p> <p>SSE TBS 8,254.87 Tons, CPO 1,881.74 Tons, OER 22.80%</p> <p>It is assured in the daily production report that during the processing of FFB the origin of FFB and the amount of CPO can be specified.</p>			√
S1				
S2				
S3				
S4				
4.2	The facility shall assure that the RSPO certified palm oil is uniquely identifiable to the mill and its supply base and is kept physically isolated from all other oil palm sources in its facility. The systems should guarantee the minimum standard of 95 % segregated physical material*	Yes	No	Yes
ST2	NA			NA
S1				
S2				
S3				
S4				
4.3	The facility shall assure and verify through clear procedures and record keeping that the RSPO certified palm oil is kept segregated from non certified material including during transport and storage and be able to demonstrate that it has taken all reasonable and necessary measures to ensure the objective of 100 % segregated material is reached. The systems should guarantee the minimum standard of 95 % segregated physical material*.	Yes, Refer to 4.2	Yes	No
ST2	NA			NA
S1				
S2				

S3				
S4				
<b>5</b>	<b>Record keeping</b>			
5.1	The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.	Yes	Yes	Yes
ST2	The records are made on a daily, weekly and monthly basis (production activity report) out parameter. The number of FFB, the origin of FFB, the quality of FFB; the amount of CPO and Kernel (in TONS) and their quality (%).			√
S1				
S2				
S3				
S4				
5.2	Retention times for all records and reports shall be at least five (5) years.	Yes	Yes	Yes
ST2	Retention time in connection with the traceable CPO production has not been set for 5 years, sample of daily report of production, monthly production statistic, grading recapitulation in Pondok Labu POM. <b>Non-conformance in these indicators is CFA-2011.47 with category of Comment For Action.</b>			X
S1				
S2				
S3				
S4				
5.3	a) The facility shall record and balance all receipts and deliveries of RSPO certified palm oil on a three-monthly basis.	Yes	Yes	Yes
ST1	There are data statements or records of information available regarding the received FFB and CPO produced per month, as well as those sold and the remaining stocks. However it is not made in a form of a three-monthly recapitulation balance sheet. <b>Non-conformance in these indicators is CFA-2011.48 with category of Comment For Action.</b>			X
ST2				
S1				
S2				
S3				
S4				

	b) When the Mass Balance model is used, a facility can only deliver Mass Balance sales from a positive stock. However, a facility is allowed to sell short.	NA	NA	Yes
ST2	The balance sheet for Mass Balance scope illustrating the stock of Mass Balance is not yet available (refer to 5.3.a). <b>Non-conformance in these indicators is CFA-2011.48 with category Comment For Action.</b>			X
S1				
S2				
S3				
S4				
5.4	The following trade names should be used and specified in purchase and sales contracts:	Product Name /IP	Product Name /SG	Product Name /MB
ST2	Not conducted thus far. Not to date			NA
S1				
S2				
S3				
S4				
5.5	The facility shall provide documented proof that the RSPO certified palm oil can be traced back entirely to the Palm Oil Mill	Yes	No	No
ST2	NA			NA
S1				
S2				
S3				
S4				
5.6	The facility shall provide documented proof that the RSPO certified palm oil can be traced back to only certified segregated material	No	Yes	No
ST2	NA			NA
S1				
S2				
S3				
S4				
<b>6</b>	<b>Training</b>			
6.1	The facility shall specify and provide the training for all staff as required to implement the requirements of the Supply Chain Certification Systems	Yes	Yes	Yes
ST2	The system made to support the implementation of SCCS has been applied by the Company, using Sime Weight System, SPB and related procedures. However, it was not done specifically by the Company even though the training plans for SCCS was			X

	already prepared which was planned to be held in July 2011. <b>Non-conformance in these indicators is NC-2011.49 with Minor category.</b>			
S1				
S2				
S3				
S4				
6.2	The facility shall keep records of the training provided to staff in relation to implementation of these requirements.	Yes	Yes	Yes
ST2	Training related records are not available as it is awaiting the training plan on July 2011. <b>Non-conformance in these indicators is NC-2011.49 with Minor category.</b>			X
S1				
S2				
S3				
S4				
<b>7</b>	<b>Claims</b>			
7.1	The facility shall only make claims regarding the use of or support of RSPO certified palm oil that are in compliance with the RSPO Guidelines for Communication and Claims (see Annex 10)	Yes	Yes	Yes
ST2	A sustainable palm oil (certified) is not yet produced and the evidence is not sufficient. The Company shall refer to the RSPO guidelines for Communication and Claims. <b>Non-conformance in this indicator is NC-2011.50 with Minor category.</b>			X
S1				
S2				
S3				
S4				

**Annex 3. Checklist of Time Bound Plan Verification Results of the RSPO Certification (Only apply for Surveillance Assessment Report)**

**Total Companies visited (0.8 √Y) Where Y is the total of one holding company**

**The company name :**

- 1.
- 2.
- 3.

**Visit Date :**

	VERIFICATION RESULT of MUTU-Certification	STATUS
<b>PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS</b>		
<b>PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity</b>		
<b>PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>		
<b>PRINCIPLE #7 Responsible development of new plantings</b>		

<b>Annex 4. Peer Review Report</b> (To be filled based on results of a review RSPO)		
Name of Reviewer:		
I. General comments on the evaluation		
No	Issues and Comments	Clarification/explanation TO BE FILLED IN BY MUTU
II. General comments on the inspection report		
No	Issues and Comments	Clarification/explanation TO BE FILLED IN BY MUTU
III. Specific comments on the proposed certification decision, including any reconditions, conditions or recommendations		
No	Issues and Comments	Clarification/explanation TO BE FILLED IN BY MUTU



**Annex 5. Result of RSPO Panel Committee - RSPO Certification** *(To be completed after the reports are reviewed and approved by the RSPO secretariat / after published certificate)*

No	Input and Responses

<b>Annex. 6 List of Stakeholder Contacted in the RSPO Certification Process</b>			
No	Institution/Department	No	Institution/Department
1	Head of the Provincial Governor of South Kalimantan	28	Chief of Kalian Village
2	Chief of South Kalimantan Plantation Agency	29	Chief of Harapan Baru Village
3	Chief of South Kalimantan Forestry Agency	30	Chief of Tamiang Village
4	Chief of South Kalimantan Labor and Transmigration Agency	31	Chief of Binturung Village
5	Chief of South Kalimantan Health Agency	32	Chief of Lintang Jaya Village
6	South Kalimantan branch GAPKI (Indonesia Palm Oil Association).	33	Chief of Mulyo Harjo/Sebangau Village
7	Executive Director of the Indonesian Forum for Environment (WALHI) South Kalimantan	34	Chief of Desa Wonorejo/Pukung Village
8	NGo of Community Sumpit	35	Chief of Pamukan Indah / SP Village
9	Chief of Regional Investment Coordinating Board (BKPM) South Kalimantan Province	36	Chief of Sakadoyan Village
10	Chief of the Natural Resources Conservation Center in South Kalimantan	37	Chief of Balamea Village
11	Chief of National Land Affairs Agency South Kalimantan	38	The Police Sector of Pamukan Utara
12	Head of BAPEDALDA Level I South Kalimantan Province	39	The Principal of SMU Neg. 01 Pamukan
13	Lambung Mangkurat University - South Kalimantan	40	Chief of Sesulung Village
14	Social, Labour and Transmigration Agency Kotabaru District	41	Community Leader (Mr. Rusnang)
15	JAMSOSTEK of Kotabaru	42	Chief of Pondok Labu Village
16	District Plantation Agency of Kotabaru	43	Chief of BPD Pondok Labu
17	District Forestry Agency of Kotabaru	44	Community Leader (Mr. yunus)
18	Regional Representatives council of Kotabaru	45	Chief of Binturung Village
19	The Police Resort of Kotabaru	46	Community Leader (Mr. Nyurun)
20	Regent of Kota Baru District	47	Community Leader (Mr. Jafriady)

21	District Secretary of Kotabaru	48	Chief Of Rampa Village
22	Chief of Revenue, Financial Management and Local Asset Agency of Kotabaru District	49	Chief of BPD Rampa Village
23	Chief of Kotabaru District Plantation Agency	50	The Police Sector of Pamukan Selatan
24	Chief of Social, Labour and Transmigration Agency Kotabaru District	51	Military Commander of Pamukan
25	Chief of Kotabaru District Environmental Agency	52	Head of Pamukan Selatan Subdistrict
26	Chief of National Land Affair Agency - Kotabaru District	53	Chief of BPD Sesulung
27	Head of Pamukan Utara Subdistrict		

<b>Annex 7. Glossary</b>	
AMDAL	: Environmental Impact Analysis
APAR	: Light Fire Extinguisher Equipment
B3	: Hazardous Material
BAPEDALDA	: Regional Environmental Impact Agency
BLH	: Environmental Agency
BNE	: Binturung Estate
BOD	: Biological Oxygen Demand
BPN	: Land Affairs Agency
BSS	: Block Spraying System
CFA	: Comment For Action
CITES	: Convention on International Trade of Endangered Species
COD	: Chemical Oxygen Demand
CPO	: Crude Palm Oil
CSR/CD	: Corporate Social Responsibility/Community Development
FFB	: Fresh Fruit Bunch
HCV	: High Conservation Value
HGU	: Business Rights
IP	: Identity Preserved
HIRAC	: Hazard Identification Risk Assessment Control
JAMSOSTEK	: Employee Social Security
K3	: Occupational Health and Safety
KAN	: National Accreditation Committee
LC	: Land Clearing
MB	: Mass Balance
MSDS	: Material Safety Data Sheet
NC	: Nonconformity
P2K3	: Advisor Committee of Occupational Health and Safety
P3K	: First Aid
Permentan	: Minister of Agriculture Regulation
IPM	: Integrated Pest Management
PK	: Palm Kernel
PKB	: Collaborative Agreement
PLE	: Pondok Labu Estate
PLF	: Pondok Labu Factory
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
PP	: Government Regulation
PPE	: Personal-Protection Equipment
PSA	: Paripurna Swakarsa

PSD	: Plantation Service Department
PTE	: Pantai Timur Estate
RKL	: Environmental Management Plan
RPE	: Rampa Estate
RPL	: Environment Monitoring Plan
S1	: First Surveillance
S2	: Second Surveillance
S3	: Third Surveillance
S4	: Fourth Surveillance
SG	: Segregation
SPSI	: The National Workers' Union of Indonesia
SSE	: Sesulung Estate
ST 1	: Stage 1
ST 2	: Stage 2
UU	: Act
WWTP	: Waste Water Treatment Plant