

**Roundtable on Sustainable Palm Oil Certification
R S P O**

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management : **Kendawangan POM**
 Organisation : **PT Gunajaya Karya Gemilang subsidiary of Bumitama Agri Ltd**
 Plantation Name : **PT Gunajaya Karya Gemilang:**
 Banjar Sari Estate, Seriam Jaya Estate, Mekar Utama Estate,
PT Gunajaya Ketapang Sentosa:
 Kendawangan Estate, Membuluh Jaya Estate dan Sungai Tapah Estate
 Location : **Village of Banjasari & Seriam, Sub District of Kendawangan, District of
 Ketapang, Province of West Kalimantan, Indonesia**
 Certificate Code : **MUTU-RSPO/081**
 Date of Certificate Issue : 3 December 2015 Date of License Issue : 3 December 2015
 Date of Certificate Expiry : 2 December 2020 Date of License Expiry : 2 December 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-01	10-15 Maret 2014	Octo H.P.N. Nainggolan (Lead Auditor), Ardiansyah, Naila Karima, Steve Mualim, Andi Pratama Pasaribu, Sahat Simarmata	Taufik Margani	Tony Arifiarachman
ST-2	4 - 7 Mei 2015	Oktovianus Rusmin (Lead Auditor), Muhammad Rinaldi, Ibnu Satria Prabudi, Andi Pratama Pasaribu		

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	3 December 2015

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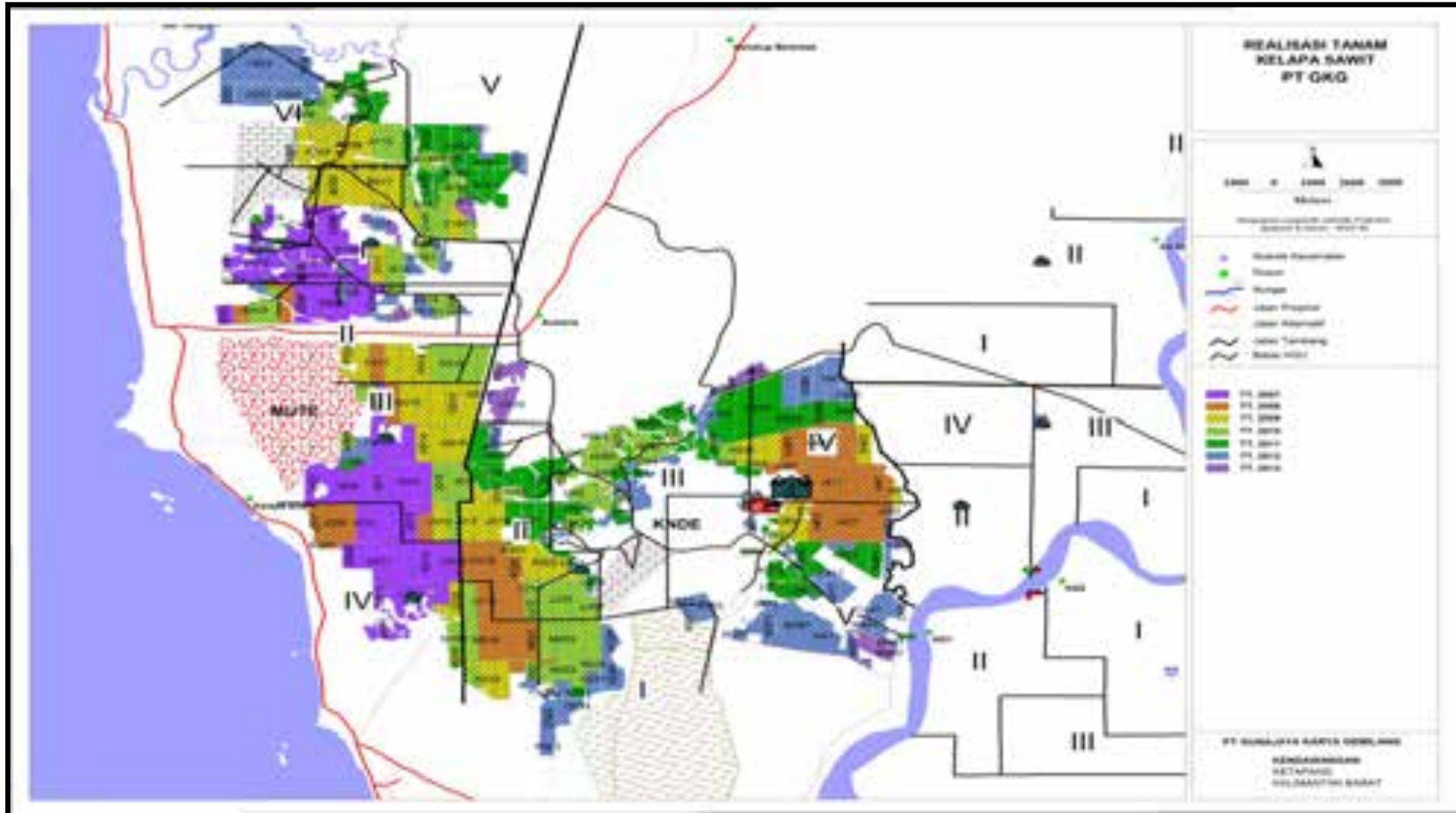
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FIGURE

Figure 1. Location Map of PT. Gunajaya Karya Gemilang and PT Gunajaya Ketapang Sentosa



Figure 2. Operational Map of PT. Gunajaya Karya Gemilang and PT Gunajaya Ketapang Sentosa



Glossary

BOD	:	Biological Oxygen Demand
BPN	:	Badan Pertanahan Nasional (<i>National Land Agency</i>)
BSRE	:	Banjar Sari Estate
COD	:	Chemical Oxygen Demand
CPO	:	Crude Palm Oil
CSR	:	Corporate Social Responsibility
EIA	:	Environmental Impact Assessment
FPIC	:	<i>Free, Prior and Informed Consent</i>
HCV	:	High Conservation Value (Nilai Konservasi Tinggi)
HGU	:	Hak Guna Usaha. (<i>Land Use Permit</i>)
IPM	:	Integrated Pest Management
ISCC	:	International Sustainable Carbon Certification
EFB	:	Empty Fruit Bunch
OHS	:	Occupational Health and Safety
KER	:	Kernel Extraction Rate
KNDE	:	Kendawangan Estate
KNDM	:	Kendawangan POM
LA	:	Land Application
LSC	:	Land and Soil Capability
LC	:	Land Clearing
MBSE	:	Membuluh Sejahtera Estate
MSDS	:	Material Safety Data Sheet
MUTE	:	Mekar Utama Estate
OER	:	Oil Extraction Rate
PPE	:	Personal Protective Equipment
PK	:	Palm Kernel
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PT.GKG	:	PT. Gunajaya Karya Gemilang
PT.GKS	:	PT. Gunajaya Ketapang Sentosa
RSPO	:	Roundtable on Sustainable Palm Oil
SEL	:	Studi Evaluasi Lingkungan (Environment Evaluation Study document)
SEIA	:	Social and Environmental Impact Assessment
SIA	:	Social Impact Assessment
SJYE	:	Seriam Jaya Estate
SOP	:	Standard Operating Procedure
ST-1	:	Stage 1

ST-2	:	Stage 2
S1	:	Surveillance 1
TBS (FFB)	:	Tandan Buah Segar (<i>Fresh Fruit Bunch</i>)
WWTP	:	<i>Wastewater Treatment Plant</i>

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 	
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT. Gunajaya Ketapang Sentosa & PT. Gunajaya Karya Gemilang	
1.2.2	Contact person	Bremen Yong	
1.2.3	Organisation address and site address	<ul style="list-style-type: none"> • RSPO registered company: Melawai Raya St. No.10 Jakarta Selatan 12160 Indonesia • Liaison Office: Village of Banjasari & Seriam, Sub District of Kendawangan, District of Ketapang, West Kalimantan 	
1.2.4	Telephone	(021) 727 98418	
1.2.5	Fax	(021) 727 98665	
1.2.6	E-mail	bremen.yong@bumitama.com	
1.2.7	Web page address	www.bumitama.com	
1.2.8	Management Representative who completed the application for certification	Bremen Yong (Corporate Sustainability System).	
1.2.9	Registered as RSPO member	1-0043-07-000-00, 08 Oktober 2007	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Kendawangan POM and 6 supply base: PT Gunajaya Karya Gemilang (Banjar Sari Estate, Seriam Jaya Estate, Mekar Utama Estate) and PT Gunajaya Ketapang Sentosa (Kendawangan Estate, Membuluh Jaya Estate, Sungai Tapah Estate)	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Kendawangan POM	Village of Banjasari, Sub District of Kendawangan, District of Ketapang, West Kalimantan	2° 21' 29" S 110° 10' 17" E
1.4.2	Location of Certification Scope of Supply Base		

Name of Supply Base	Location	Coordinate	
		Latitude	Longitude
Mekar Utama Estate	Village of Mekar Utama, Sub District of Kendawangan, District of Ketapang, West Kalimantan	2° 28' 21" - 2° 25' 35" S	110° 13' 02" - 110° 17' 02" E
Sungai Tapah Estate	Village of Mekar Utama, Sub District of Kendawangan, District of Ketapang, West Kalimantan	2° 25' 55" - 2° 29' 11" S	110° 11' 26" - 110° 13' 47" E
Kendawangan Estate	Village of Kendawangan, Sub District of Kendawangan, District of Ketapang, West Kalimantan	2° 21' 29" - 2° 27' 15" S	110° 10' 17" - 110° 12' 40" E
Banjar Sari Estate	Village of Banjar Sari, Sub District of Kendawangan, District of Ketapang, West Kalimantan	2° 25' 33" - 2° 27' 36" S	110° 17' 15" - 110° 21' 21" E
Seriam Jaya Estate	Village of Seriam, Sub District of Kendawangan, District of Ketapang, West Kalimantan	2° 31' 48" - 2° 28' 1" S	110° 17' 15" - 110° 20' 42" E
Membuluh Sejahtera Estate	Village of Seriam, Sub District of Kendawangan, District of Ketapang, West Kalimantan	2° 31' 48" - 2° 28' 2" S	110° 20' 38" - 110° 28' 2" E

1.5 Description of Area Statement

1.5.1	Tenure	
	• State	14,927.70 Ha
	• Community	- Ha

1.5.2 Area Statement

	PT Gunajaya Karya Gemilang (Ha)	PT Gunajaya Ketapang Sentosa (Ha)	TOTAL (Ha)
• Total area	7,264.83	7,662.87	14,927.70
• Mature area	3,808.00	7,001.27	10,809.27
• Immature area	630.71	75.58	706.29
• Mill/ Emplacment /Roads	248.04	318.55	566.59
• Unplantable area	1,676.39	244.09	1,920.48
• HCV/Concervation	0.05	0.26	0.31
• Riparian	60.47	11.64	72.11
• Reserve area	9.76	1.23	10.99
• Occupation	831.41	10.25	841.66
• Nursery	-	-	-

1.6 Planting Year and Cycles

1.6.1	Age profile of planting year							
	Planting Year	Hectarage (Ha)						
		Mekar Utama Estate	Sungai Tapah Estate	Kendawangan Estate	Banjar Sari Estate	Seriam Jaya Estate	Membuluh Jaya Estate	Total
	2007	453	347	-	-	-	-	800
	2008	103	143	537	1,502	549	1,021	3,855
	2009	653	234	220	252.82	912	1,574.20	3,854
	2010	428	112	225	282.09	249	581	1,877.58
	2011	70	9	274	40.13	8	30.67	431.98
	2012	118	28	420	7.82	-	-	573.76
	2013	35	-	30	-	4.15	63.62	132.53
	TOTAL	1,860	872	1,706	2,085	1,721.48	3,270.27	11,515.56
1.6.2	New Planting area after January 2010			3,015.85 Ha				
1.6.3	Planting Cycle			1 st Cycle				
1.7	Description of Mill and Supply Base							
1.7.1	Description of Mill							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)	
	Kendawangan POM	60	292,581	31,805	23.85	6,016	4.54	
	<i>*Production data source May 2014 s.d. April 2015</i>							
1.7.2	Description of Certification Scope of Supply Base							
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill		
						FFB (tonnes/year)	%	
	Mekar Utama Estate	2,640.86	1,860.41	20,739	11.15	20,739	100	
	Sungai Tapah Estate	939.30	871.86	15,411	17.68	15,411	100	
	Kendawangan Estate	3,681.72	1,706.44	20,326	11.91	20,326	100	
	Banjar Sari Estate	2,270.16	2,085.10	36,949	17.72	36,949	100	
	Seriam Jaya Estate	1,895.48	1,721.48	19,574	11.40	19,574	100	
	Membuluh Jaya Estate	3,500.18	3,270.27	18,880	5.84	18,880	100	
	TOTAL	14,927.70	11,515.56	131,879	11.49	131,879	100	
	<i>*Production data source May 2014 s.d. April 2015</i>							
1.7.3	FFB description from other source							
	Name of sources	Organisation	Location	Supplied to Mill				
				FFB (tonnes/year)				
	Karya Bersama Smallholder	PT. GKG	Kendawangan Kiri Village, Sub-district of Kendawangan, District of Ketapang	5,149				
	Usaha Bersama Smallholder	PT.GKG	Mekar Utama Village, Sub-district of Kendawangan, District of Ketapang	13,137				
	Binasari Smallholder	PT.GKG	Banjarsari Village, Sub-district of	3,285				

		Kendawangan, District of Ketapang	
Rimbasari Smallholder	PT.GKS	Banjarsari Village, Sub-district of Kendawangan, District of Ketapang	5,540
Fajar Mandiri Smallholder	PT.GKS	Seriam Village, Sub-district of Kendawangan, District of Ketapang	17,734
PT. ASM	Bumitama Agri Ltd	Seriam Village, Sub-district of Kendawangan, District of Ketapang	33,858
PT. KBAS	Bumitama Agri Ltd	Pelanjau Village, Sub-district of Marau and Slimatan Jaya Village, Sub-district of Kendawangan, District of Ketapang	27,566
PT. GHL	-	Bawal Island, Sub-district of Kendawangan, District of Ketapang	3,286
PT. GMS	-	Sub-district of Nangatayap, Sub-district of Matan Hilir Utara, District of Ketapang	9,896
PT. LSK	-	Seriam Village, Sub-district of Kendawangan, District of Ketapang	9,122
KUB	-	Mekar Utama Village, Sub-district of Kendawangan, District of Ketapang	4,726
Sejahtera Baru	-	Mambuk Village, Sub-district of Sungai Melayu Rayak, District of Ketapang	2,025
Sari Jaya	-	Sukasari Village, Sub-district of Singkup, District of Ketapang	18,423
Setia Hati	-	Sukaraja Village, Sub-district of Singkup, District of Ketapang	324
Bhakti Bersama	-	Mekar Utama Village, Sub-district of Kendawangan, District of Ketapang	1,346
RGP	-	Mekar Utama Village, Sub-district of Kendawangan, District of Ketapang	609
Gunung Tunggal	-	Desa Pesaguan Kanan Village, Sub-district of Matan Hilir Selatan, District of Ketapang	362
MKJ	-	Green Eagle Group	1,548
Agriplus	-	Sub-district of Marau, District of Ketapang	114
SKS	-	Tayab Village, Sub-district of Nanga Tayap, District of Ketapang	801
TOTAL			
<i>*Production data source May 2014 s.d. April 2015</i>			
1.7.4	Jenis Produk	FFB, CPO, PK	
1.8	Estimate Tonnage of Certified Product **		
1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim (tonnes/year)	Actual certified product (tonnes/year)
	• FFB Production		
	• CPO Production		
	• Palm Kernel (PK) Production		
	<i>** will be verified in surveillance</i>		
1.8.2	Estimate of Certified FFB Claim		

	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)		
	Mekar Utama Estate	2,640.86	1,860.41	22,813	12.26		
	Sungai Tapah Estate	939.30	871.86	16,952	19.44		
	Kendawangan Estate	3,681.72	1,706.44	22,359	13.10		
	Banjar Sari Estate	2,270.16	2,085.10	40,644	19.49		
	Seriam Jaya Estate	1,895.48	1,721.48	21,532	12.54		
	Membuluh Jaya Estate	3,500.18	3,270.27	20,768	6.43		
	TOTAL	14,927.70	11,515.56	145,067	12.64		
	<i>*Production data source May 2015 s.d. April 2016</i>						
1.8.3	Estimate of Certified Palm Product Claim						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
Out put (ton)				Extraction (%)	Out put (ton)	Extraction (%)	
	Kendawangan POM	60	145,067	34,816	24.0	7,253	5.0
	<i>*Projected CSPO and CSPK production for May 2015 s.d. April 2016</i>						
1.9	Other Certifications						
	ISO 9001:2008		-				
	ISO 14001: 2004		-				
	OHSAS 18001:2007		-				
	ISCC		-				
	Others		-				
1.10	Time Bound Plan						
1.10.1	Time Bound Plan for Other Management Units						
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status	
	MILL	Time Bound Plan					
	Pundu Nabatindo (PT WNL)	2014	Pundu Nabatindo	2014	District of Kotawaringin Timur, Central Kalimantan	Certified 2014	
		2014	Katari Agro	2014		Certified 2014	
		2014	Pelantaran Agro	2014		Certified 2014	
		2014	Pantai Mas Estate	2014		Certified 2014	
	Katari Agro (PT WNL)	2020	-	-	District of Kotawaringin Timur, Central Kalimantan	ST-01	
		2014	Gunung Makmur	2014		Certified 2014	
		2014	Bukit Kecubung	2014		Certified 2014	
		2014	Bukit Makmur	2014		Certified 2014	
		2014	Sungai Mentaya	2014		Certified 2014	
	Bukit Makmur (PT KMB)	2020	-	2020	District of Kotawaringin Timur, Central Kalimantan	2020	
	Kendawangan (PT GKG)	2016	Mekar Utama Estate	2016	District of Ketapang, West Kalimantan	ST-02	
		2016	Sungai Tapah Estate	2016		ST-02	

		2016	Kendawangan Estate	2016		ST-02
		2016	Banjar Sari Estate	2016		ST-02
		2016	Seriam Jaya Estate	2016		ST-02
		2016	Membuluh Jaya Estate	2016		ST-02
	Selucing Agro (PT WNA)	2018	PT WNA	2018	District of Kotawaringin Timur, Central Kalimantan	2018
	Kotawaringin (PT BGB)	2020	Sepantaian	2020	District of Kotawaringin Timur, Central Kalimantan	ST-01
		2020	Danau Merah	2020		ST-01
		2020	Kotawaringin	2020		ST-01
		2020	Tonam Raya	2020		ST-01
	-	-	PT NKU	-	Kalimantan Tengah	NPP
	-	-	PT KML	-	District of Ketapang, West Kalimantan	NPP
	-	-	PT AMS	-	District of Ketapang, West Kalimantan	NPP
	-	-	PT ASMR	-	District of Kotawaringin Barat, Central Kalimantan	NPP
	-	-	PT KBAS	-	District of Ketapang, West Kalimantan	NPP
	-	-	PT ASM	-	District of Ketapang, West Kalimantan	NPP
	-	-	PT LGI	-	District of Ketapang, West Kalimantan	NPP
	-	-	PT LSM	-	District of Ketapang, West Kalimantan	NPP
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	Smallholders will be certified within 3 years after the mill certified.					

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ST-2	<ol style="list-style-type: none"> Oktovianus Rusmin (Lead Auditor). Bachelor's Degree in Social & Political Sciences Department of Anthropology. Specialists in the field of Social and Cultural (Social Impact & Conflict Resolution) and HCVF. Already participated in Forest Management Auditor Training (FSC Standard), ISO 14001, ISO 9001:2008, Environmental Management System Training, SVLK (wood legality) Auditor, Indonesian Sustainable Palm Oil (ISPO) and RSPO Lead Auditor Training. He was several times involved in the assessment of Sustainable Forest Management Certification (Standard LEI) and Gap Analysis Audit (FSC Standard). Had worked at the Center for study of Anthropology University of Indonesia and Social Advisor at Tropical Forest Trust (TFT) Indonesia. He was numerously involved in Social Impact Assessment and HCV Identification in Palm Oil Plantations and Natural Forest concessions. Have been approved as HCV assessor by RSPO for Social Discipline Specialist. During this audit, he focused on Land Use Legality, HCV and Supply Chain System. Ibnu Satria Prabudi (Auditor). Bachelor of Agriculture Majoring in Agro-technology, Agriculture Faculty of Instiper Yogyakarta. Currently he has been working with an independent certification agency as auditor. Training he has followed are: Lead Auditor RSPO, Auditor ISPO, Awareness HACCP certification, Awareness SQMS Mc Donald, In House Training Green House Gas and Lead auditor ISO 9001;2008. He has been working with an independent certification body as an auditor. He has followed several audit activities related to certification system of sustainable palm oil (RSPO and ISPO certification). During this audit,, he focused on Legal & Environment Aspect. Andi Pratama Pasaribu (Auditor). Bachelor of social economy and agribusiness a course of study Agricultural University Faculty of Jember. He had followed the training of auditor Indonesian Sustainable Palm Oil (ISPO). He has experience of work for five years as an operational staff in several plantation companies in Indonesia private oil palm plantation. Currently working on certification body as independent auditors. During the assessment the Auditor verified Best management Practice. Muhammad Rinaldi (Auditor). Associate of Oil Palm Plantations, Bogor Agricultural Institute. He have 4 years experience working as a staff operational plantations at oil palm plantation companies in Indonesia. He has attended the RSPO Awareness training, Lead Auditor/Auditor ISPO training, Auditor/Lead Auditor ISO 9001-2008 training, HCV training and Health and Safety Officer training. During this audit, he assigned to verify of Health & Safety and Worker Rights.
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ST-2	<p>May 4th to May 7th, 2015 Number of auditors : 4 (four) auditors Number of days for ST-2 on site : 5 (five) days Number of working days for ST-2 on site: 20 (twenty) working days</p>
2.2.2	Assessment Process
ST-2	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT. Gunajaya Karya Gemilang & PT Gunajaya Ketapang Sentosa to the requirements of RSPO Principles and Criteria (P&C) for the Production of Sustainable Palm Oil - April 25th, 2013 and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill).</p> <p>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 observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results ST-2 delivered by the MUTU auditor to the management unit and the results are the subject that will be verified at the next assessment phase (ASA-1).</p>

Improvement of findings from main assesment findings were observed by auditors at this **ST-2** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ST-2**.

The assessment program please find Appendix 2

2.2.3	Location of Assessment
ST-2	<p><u>Mekar Utama Estate (PT. GKG):</u></p> <ul style="list-style-type: none"> • Legal Boundary Pole of GKG-18 (Block I34), GKG-034 (Block I27), GKG-060 (Block M45). Observation on the legal boundary pole and its condition. • Swamp (Block I 23 – 25) and Tengar Riparian (Block A 134 – 135). Observation on the HCV, signboard and conservation area condition management. • Block H14. Observation on the peat management, peatland subsidence monitoring, peatland water level monitoring as well as the water management at peatland area. • EFB Application (Block H11 of Division IV). Observation on the EFB application in U-shape method to improve the soil fertility. • Herbicide Application (Block I10 of Divisi IV). Observation and interview with the foreman and sprayers in term of the proper herbicide application procedure, the use of PPE, awareness of herbicide application prohibition at the riparian area and conservation area and they are able to demonstrate the procedure perfectly. • Manuring (Block J09 of Division II). According to the observation on the manuring implementation, the manurer is able to demonstrate the proper dosage manuring application as well as proper target and efficient manuring. The manurer can also describe the procedure of manuring, they have used PPE and they have aware of the waging system. • Harvest Program (Block H15 of Division IV). According to the observation and interview with the foreman and harvesters in term of the procedure of harvest program, OHS aspect, waging system and harvest incentive, all harvesters have aware and they have been able to demonstrate and implement the procedure perfectly as well as using PPE and aware of the wage and harvest incentive calculation. • BSS and BMS of MUTE Settlement. Observation on the spray equipments as manuring equipments such as the washhouse for PPE and equipments of spray and manure and the pesticide containers. • Fire Extinguishing Equipments Storage. Observation on the availability and readiness of the fire extinguishing equipments. • Clinic. Observation on the management of medical waste, data of work accident, data of worker's disease, inspection on the first aid kit. • Workshop. Field observation and interview with the workers in term of the hazardous waste maagement, PPE provision, first aid kit and handy fire extinguisher. • Agrochemicals Storage. Observation on the management of hazardous waste and the use of agrochemicals. • Settlement. Observation on the employee's facilities, management of domestic waste, availability of handy fire extinguisher and first aid kit as well as emergency situation control. • Hazardous Waste Storage. Observation on the hazardous waste management. <p><u>Seriam Jaya Estate (PT. GKS):</u></p> <ul style="list-style-type: none"> • Block P23. Observation on the peat management, peatland subsidence monitoring, peatland water level monitoring as well as the water management at peatland area. • Land Use Title Boundary Poles: Inspection on the boundary poles on block R-3, Division 4 Block O 009 (the boundary pole is well maintained). • Area HCV: Observation on the area of Block R 24 and Q 24 of Seriam Jaya Estate and on Block O 46 of Division 4. The HCV area has been installed with the signboard to inform the prohibition of any illegal activities.

- **Manuring (Block J09 of Division II).** According to the observation on the manuring implementation, the manurer is able to demonstrate the proper dosage manuring application as well as proper target and efficient manuring. The manurer can also describe the procedure of manuring, they have used PPE and they have aware of the waging system.
- **Herbicide Application (Block P15 of Division III).** Observation and interview with the foreman and sprayers in term of the proper herbicide application procedure, the use of PPE, awareness of herbicide application prohibition at the riparian area and conservation area and they are able to demonstrate the procedure perfectly.
- **Harvest Program (Block N13 of Division II).** According to the observation and interview with the foreman and harvesters in term of the procedure of harvest program, OHS aspect, waging system and harvest incentive, all harvesters have aware and they have been able to demonstrate and implement the procedure perfectly as well as using PPE and aware of the wage and harvest incentive calculation.
- **EFB Application and Beneficial Plants Planting (Block O23 of Division I).** Observation on the EFB application in U-shape method to improve the soil fertility and the planting of *Nephrolephis bisserata* to keep soil humidity.
- **BSS of SJYE Settlement).** Observation on the spray equipments as manuring equipments such as the washhouse for PPE and equipments of spray and manure and the pesticide containers.
- **Fire Extinguishing Equipments Storage.** Observation on the availability and readiness of the fire extinguishing equipments.
- **Clinic.** Observation on the management of medical waste, data of work accident, data of worker's disease, inspection on the first aid kit.
- **Workshop.** Field observation and interview with the workers in term of the hazardous waste maagement, PPE provision, first aid kit and handy fire extinguisher.
- **Agrochemicals Storage.** Observation on the management of hazardous waste and the use of agrochemicals.
- **Settlement.** Observation on the employee's facilities, management of domestic waste, availability of handy fire extinguisher and first aid kit as well as emergency situation control.
- **Hazardous Waste Storage.** Observation on the hazardous waste management.

Kendawangan Mill:

- **Verification on the supply chain and interview with the workers who have to do with SCCS implementation (Mill Manajer, Staff of Administration, Officer of Weighbridge and Officer on Grading area).** According to the result of verification and interview, the company has separated FFB from the nucleus estate and from other estates.
- **Processing Stage (loading ramp hingga dispatch).** Observation and interview with the workers in term of the FFB processing to CPO, awareness of workers in term of the existed SOP, emergency response facilities to deal with fire at mill, first aid kits, OHS implementation, the provided facilities, the held trainings and manpower.
- **Engine/Turbine Room.** Observation and interview with the Operator in term of the petroleum fuel consumption efficiency, awareness of the workers in term of SOP, awareness of workers in term of the existed SOP, emergency response facilities to deal with fire at mill, first aid kits, OHS implementation, the provided facilities, the held trainings and manpower.
- **Hazardous Waste Storage.** Observation on the availability of fire extinguisher, first aid kits and SOP of hazardous waste control and emergency situation as well.
- **Waste Water Treatment Plant.** Observation on the effluent management, number of WWTP ponds and the calculation of the effluent debit.
- **Water Treatment.** Observation on the water consumption for the mill and domestic operationals.

2.3 Stakeholder Consultation and Stakeholders Contacted

2.3.1 Summary of stakeholder consultation process.

ST-2 Summary of stakeholder consultation process

	<p>Consultation of stakeholders for PT GUNAJAYA KARYA GEMILANG & PT GUNAJAYA KETAPANG SENTOSA was conducted as below:</p> <ul style="list-style-type: none"> - Public Notification 33 days (April, 1st 2015) before assessment. - Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples on May, 5th 2015 and interviews with government agencies on May, 4th 2015. - <p>Numbers of inputs from stakeholders were clarified by PT Gunajaya Karya Gemilang & PT Gunajaya Ketapang Sentosa.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit of surveillance 1 will be determined one year after certified .

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of **Kendawangan POM – PT GUNAJAYA KARYA GEMILANG & PT GUNAJAYA KETAPANG SENTOSA** operation consisting of one (1) mill and six (6) palm estates.

During the assessment, there were four (4) nonconformities were assigned against Major Compliance Indicators, four (4) nonconformities were assigned against Minor Compliance Indicators and one (1) nonconformance against supply chain requirement for CPO mill and five (5) opportunities for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective action(s) that had been reviewed and accepted by Auditors in form of documentation evidence e.g. document record/photographic/etc. Those corrective action taken consisting of four (4) Major non-conformities and four (4) Minor non-conformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Kendawangan POM – PT GUNAJAYA KARYA GEMILANG & PT GUNAJAYA KETAPANG SENTOSA complied with the requirements of RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **Issued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
	According to the SOP of transparency (BGA-SOP-0713-12-RO), the document classification covers:	
	<ul style="list-style-type: none"> a. Publicly-accessed documents such as: <ul style="list-style-type: none"> - Permits - The company report - Work process and standardization - Business physic and general documents b. Publicly-accessed documents with the approval of Dept Head/Area Controller such as: <ul style="list-style-type: none"> - Official letter of company establishment and change. - The company profit and losses - The list of company's assets - The company balance - The list of estate land - The plan of community development (Community Development) - Data of land compensation payment - Complaint and disgruntle - Map of endanger species distribution at conservation area 	

- The list of cultural site type
- Data of scheme smallholder fund usage

According to the document review and interview with the staff of internal and external communication and consultation, there is no record of information request and response from the stakeholders during period of 2014 – April 2015. The incoming letters are mostly dominated by the fund or assistance proposal letter:

1. Request for operational fund and book for Kamboja infant education center of Banjarsari Village. The company respond it by fulfilling the requested assistance.
2. Request for printer for bangun Sari Hamlet. The company respond it by giving 1 unit of printer.

All the documentations such as proposal or request sent by the locals are well maintained and well documented by the Officer of communication and consultation.

Status: Comply

1.2

Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

According to the document verification and other evidence of records, the company has reported several information report obligation to the associated agency. For example:

1. The report of plantation business progress to Ketapang District Plantation Agency.
2. Obligation to report the workforce to Ketapang District Manpower Agency.
3. The report of OHS Guiding Committee to Ketapang District Manpower Agency.
4. Report of environmental management and monitoring plan implementation to Ketapang District Environment Agency.
5. Report of fire monitoring to the regional government.

The company has SOP of transparency (BGA-SOP-0713-12-RO) which describe the publicly-accessed documents such as the document of permits and the company report, the publicly-accessed documents with the approval of Dept Head/Area Controller such as document of official paper of establishment, the company profit/losses, map of endanger animal distribution on the conservation area, data of scheme smallholder fund usage, complaint and disgruntle.

Status: Comply

1.3

Growers and millers commit to ethical conduct in all business operations and transactions.

The company has Code of Conduct which was legalized by the management on October 28th 2014. It describes the guideline of BGA Group Employee's Attitude such as the prohibition to receive or give the bribe or any gift, etc.

The company has socialized the Code of Conduct to all employees of PT GKG and PT GKS management unit on April 29th – 30th 2015 and on May 2nd 2015. It was attended by staff and employees.

According to the interview with the workers of Mekar Utama Estate, Seriam Jaya Estate and Kendawang Mill, the workers have aware of the Code of Conduct.

Status: Comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

There is compliance with all applicable local, national and ratified international laws and regulations.

The company (PT GKG and PT GKS) has consistently implemented the sustainable estate management on aspect of legal, OHS and manpower. It is supported by several compliance over regulation that have to do with estate. For example:

Legal

- The company has had location permit based on the Agraria Ministry Regulation No. 2 Year 1999 in term of location permit. For example:

PT Gunajaya Karya Gemilang (GKG):

- The location permit is based on the decree of Ketapang Regent No. **294 year 2006** dated October **13th 2006**. The permit was “the location permit granting for palm oil estate establishment of PT. Gunajaya Karya Gemilang” for **13,000 Ha**. According to the map of area designation and water area of West Kalimantan Province, the proposed area was considered as the specific purpose area in Mekar Utama Village/Kendawangan Kiri Village and Banjarsari Village of Kendawangan Sub-District of Ketapang District. The location permit is valid for 3 years.
- The extension of the location permit for estate and mill on behalf of PT Gunajaya Karya Gemilang. It was issued by the Ketapang Regent in decree No. **23 Year 2010** dated January **13th 2010 for 13,000 Ha. The location permit is valid for 12 months.**

- **PT Gunajaya Ketapang Sentosa (GKS)**

- The location permit was issued by Ketapang Regent in decree No. 292 Year 2006 dated October 3rd 2006 for **12,890 Ha**.
- The location permit was issued by Ketapang Regent in decree No. **369/Year 2008** in term of “Changes over the decree of Ketapang Regent No. 292 Year 2006 in term of Location Permit for Estate and Mill establishment on behalf of PT Gunajaya Ketapang Sentosa” dated October **7th 2008 for 12,800 Ha**. According to the map of area designation and water area of West Kalimantan Province, the proposed area was considered as the specific purpose area (APL) in Kendawangan Sub-District of Ketapang District. The location permit is valid for 3 years since October 3rd 2006.
- The extension of the location permit for estate and mill on behalf of PT Gunajaya Ketapang Sentosa. It was issued by the Ketapang Regent in decree No. **22 Year 2010** dated January **13th 2010 for 11,310 Ha. The location permit is valid for 12 months.**

- The company has had plantation business permit as well as built the scheme smallholder estate for 20% of the company total area. The company has reported the plantation business progress based on the Agriculture Ministry Regulation No. 98 year 2013 in term of plantation business permit and statute No. 18 Year 2004 in term of plantation. For example:

Plantation Business Permit (IUP)**PT Gunajaya Karya Gemilang (GKG)**

- The plantation business permit was issued by Ketapang Regent in decree **No. 551.31/122/01 DISBUN-D** dated September 4th 2006 for **12,600 Ha** area and mill capacity for **60 ton of FFB/Hour in Kendawangan Sub-District of Ketapang District**.
- There is a “Permit of PT GKG plantation business” based on the decree of **Ketapang Regent No. 542/DISBUN-D/2013** dated October **31st 2013. It describes that the permitted hectarage was 9,471 Ha** and the mill capacity for **60 Ton of FFB/Hour in Kendawangan Sub-District of Ketapang District**.

PT Gunajaya Ketapang Sentosa (GKS)

- Ijin The plantation business permit was issued by Ketapang Regent in decree **No. 551.31/2239/DISBUN-D** dated September 4th 2006 for **6,419 Ha** and mill capacity for **20 ton of FFB/Hour in Kendawangan Sub-District of Ketapang District**.
- The latest plantation business permit was issued by the **Ketapang Regent in decree No. 469 Year 2009** dated December 4th 2009 for **10,500 Ha** and mill capacity for **60 ton of FFB/Hour in Kendawangan Sub-District of Ketapang District**.

The company has the Land Use Title (HGU) based on the government regulation No. 40 Year 1996 in term of Land Use Title (HGU).

PT Gunajaya Karya Gemilang (GKG)

Decree of National Land Agency **No. 67/HGU/BPN/RI/2011** dated July 18th 2013. The hectarage of the granted land was **7,261.89**. it is located in Mekar Utama Village and Kendawangan Kiri Village and Banjarsari Village of Kendawangan Sub-District of Ketapang District of West Kalimantan Province. The decree is valid for 35 years.

Land Use Title (HGU) certificate issued by the Head of Ketapang District National Land Agency is consisted of:

- Land Use Title (HGU) Certificate **No. 69** dated October 3rd 2013. According to the cadastral measurement paper No. 17/2013 dated September 30th 2013. The land hectarage is **1,412.18 Ha**. It is valid till October 1st 2048.

- Land Use Title (HGU) Certificate **No. 70** dated October 3rd 2013. According to the cadastral measurement paper No. 18/2013 dated September 30th 2013. The land hectarage is **2,119.04 Ha**. It is valid till October 1st 2048.
- Land Use Title (HGU) Certificate **No. 71** dated October 3rd 2013. According to the cadastral measurement paper No. 19/2013 dated September 30th 2013. The land hectarage is **1,602.74 Ha**. It is valid till October 1st 2048.
- Land Use Title (HGU) Certificate **No. 72** dated October 3rd 2013. According to the cadastral measurement paper No. 20/2013 dated September 30th 2013. The land hectarage is **1,405.97 Ha**. It is valid till October 1st 2048.
- Land Use Title (HGU) Certificate **No. 73** dated October 3rd 2013. According to the cadastral measurement paper No. 20/2013 dated September 30th 2013. The land hectarage is **24.93 Ha**. It is valid till October 1st 2048.
- Land Use Title (HGU) Certificate **No. 74** dated October 3rd 2013. According to the cadastral measurement paper No. 22/2013 dated September 30th 2013. The land hectarage is **697.03 Ha**. It is valid till October 1st 2048.

PT Gunajaya Ketapang Sentosa (GKS)

Decree of National Land Agency **No. 85/HGU/BPN/RI/2011** in term of the granting of Land Use Title on behalf of PT.Gunajaya Ketapang Sentosa over the land in Ketapang District of West Kalimantan Province for 7,665.81 Ha on Banjarsari Village and Seriam Village of Kendawangan Sub-District of Ketapang District of West Kalimantan Province on December 21st 2011. The decree is valid for 35 years since its date of issuance (**till December 21st 2046**)

The certifiante of Land Use Title (HGU) issued by the Head of Ketapang District National Land Agency is consisted of:

- Land Use Title (HGU) Certificate **No. 01 dated June 27th 2012** which is valid till (???). According to the cadastral measurement paper on August 5th 2010. The hectarage of the area is **5,393.54 Ha**
- Land Use Title (HGU) Certificate **No. 02 dated June 27th 2012**, According to the cadastral measurement paper on August 5th 2010. The hectarage of the area is **2,272.27 Ha**

Environment

The company shows several compliance over the environment regulation. For example:

Implementation of Hazardous Waste Management:

- Permit of hazardous waste storage based on Government Regulation No. 18 jo 85 year 1999.
- Installation of hazardous waste symbols and labels based on the Agriculture Ministry Regulation No. 14 Year 2013.
- Cooperation with the licensed hazardous waste collector based on the Government Regulation No. 18 Year 1999.
- Reporting of hazardous waste management for each quarter based on the Government Regulation No. 18 Year 1999.

Environment Management and Monitoring Implementation:

- Test on several environment parameters such as surface water quality (Government Regulation No. 82 Year 2001), emission and ambient air quality test (Government Regulation No. 41 Year 1999), peatland subsidence and water level measurement (Agriculture Ministry Regulation No. 14 Year 2009).

Effluent Management Implementation:

- Effluent quality test and monitoring based on the decree of Environment Ministry No. 29 Year 2003.
- Effluent management reporting for each quarter based on the decree of Environment Ministry No.29 Year 2003.

Occupational Health and Safety

- The company has provided PPE to all workers free of charge based on the statute No. 1 Year 1970 and Manpower Ministry Regulation No. 8 Year 2010.
- The company has reported OHS Guiding Committee regularly based on the Manpower Ministry Regulation No. 4 Year 1987.
- The company has had the hyperkes-trained doctor based on the Manpower Ministry Regulation No. 01 Year 1976 as well as the hyperkes-trained paramedic based on the Manpower Ministry Regulation No. 01 Year 1979
- The company has had trained first aid Officer based on the Manpower Ministry Regulation No. 15 Year 2008 in term of first aid action on the workplace.

- The company has had steam machine Operator based on the Manpower Ministry Regulation No. 01 Year 1988 in term of the qualification and requirements of steam machine operator.
- The company has had the trained welding expert based on the Manpower Ministry Regulation No. 2 year 1982 in term of the welding expert qualification on the workplace.
- The company has had the load and crane Operator based on the Manpower Ministry Regulation No. 9 Year 2010 in term of the crane and load Operator.
- The company has had the permit of diesel motor, steam turbine and have those tested based on the Manpower Ministry Regulation No. 4 Year 1985 (annually).
- The company has official paper of permit for steam kettle and has it tested based on the applied permit (every 2 years).
- The company has had permit of lighting rod and has it tested regularly based on the Manpower Ministry Regulation No. 02 Year 1989 (every 2 years).
- The company has regularly tested the electricity installation based on SNI 04-0225-2000 PUIL 2000 (annually).

Manpower

- Paying the wage based on the applied minimum wage standard based on the decree of West Kalimantan Governor No. 540/NAKERTRANS/2014

The company (PT GKG and PT GKS) has show the document of the must-complied law and regulation requirements by the company. The data can be traced back through the document of the list of law and statute in term of environment, OHS, plantation and manpower consisted of statute, government regulation, ministry regulation, decree of ministry, decree of the Head of environmental impact control agency.

The company (PT GKG and PT GKS) has consistently evaluated the compliance over the applied law based on the SOP of identification of regulation compliance audit and law requirements No. BGA-SOP 005-R0. The Audit Law Register which is conducted once every semester is always coordinated by CCS Departement over the recommendation of each Dept.

Status: Comply

2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.

The right of land use of PT GKG and PT GKS is based on several legal documents. For example:

PT Gunajaya Karya Gemilang (GKG)

Decree of National Land Agency **No. 67/HGU/BPN/RI/2011** dated July 18th 2013. The hecтарage of the granted land was **7,261.89**. it is located in Mekar Utama Village and Kendawangan Kiri Village and Banjarsari Village of Kendawangan Sub-District of Ketapang District of West Kalimantan Province. The decree is valid for 35 years.

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- Land Use Title (HGU) Certificate No. 71 dated October 3rd 2013. According to the cadastral measurement paper No. 19/2013 dated September 30th 2013. The land hecтарage is **1,602.74 Ha**. It is valid till October 1st 2048.
- Land Use Title (HGU) Certificate No. 72 dated October 3rd 2013. According to the cadastral measurement paper No. 20/2013 dated September 30th 2013. The land hecтарage is **1,405.97 Ha**. It is valid till October 1st 2048.
- Land Use Title (HGU) Certificate No. 73 dated October 3rd 2013. According to the cadastral measurement paper No. 20/2013 dated September 30th 2013. The land hecтарage is **24.93 Ha**. It is valid till October 1st 2048.

- f. Land Use Title (HGU) Certificate No. 74 dated October 3rd 2013. According to the cadastral measurement paper No. 22/2013 dated September 30th 2013. The land hectarage is **697.03 Ha**. It is valid till October 1st 2048.

PT Gunajaya Ketapang Sentosa (GKS)

Decree of National Land Agency **No. 85/HGU/BPN/RI/2011** in term of the granting of Land Use Title on behalf of PT.Gunajaya Ketapang Sentosa over the land in Ketapang District of West Kalimantan Province for 7,665.81 Ha on Banjarsari Village and Seriam Village of Kendawangan Sub-District of Ketapang District of West Kalimantan Province on December 21st 2011. The decree is valid for 35 years since its date of issuance (**till December 21st 2046**)

The certifiante of Land Use Title (HGU) issued by the Head of Ketapang District National Land Agency is consisted of:

- a. Land Use Title (HGU) Certificate **No. 01 dated June 27th 2012** which is valid till (???). According to the cadastral measurement paper on August 5th 2010. The hectarage of the area is **5,393.54 Ha**
- b. Land Use Title (HGU) Certificate **No. 02 dated June 27th 2012**, According to the cadastral measurement paper on August 5th 2010. The hectarage of the area is **2,272.27 Ha**.

PT GUNAJAYA KARYA GEMILANG.

- The evidence of the abstract of title certificate for the area bordering with bauxite port of PT Harita (around pole No. GKG-60). Total of the area hectarage is 28 Ha.
- The area nearby legal boundary pole No. GKG-018 bordering with swamp/bauxite washing reservoir of PT Harita (swamp 800). According to the information, the area is the company-managed nucleus estate (for 13.53 ha).
- The area nearby legal boundary pole No. GKG-034. 121.57 Ha of land in block I-277 (within legal area) and in block H-277 (beyond legal area) of Kendawangan Estate have been planted.

The evidence of the record of resolution progress for the area beyond the legal boundary are as follow:

- Hectarage of the area beyond the Land Use Title (HGU) is 363 Ha. It is managed by using scheme smallholder program.
- The area beyond the legal boundary has been excluded from PT GKG management area. It is now managed by the cooperative unit as authority of each smallholder group.
- Agreement of collective management paper between the Head of Sawit Bersama Smallholder Group and PT GKG.
- Example of the abstract of title certificate for the managed area as scheme smallholder program.

Hence, **the NC of Major Indicator No. 2.2.1 of PT GKG is closed.**

According to the information from the Coordinator of Public Affair Department of PT GKG/PT GKS, total hectarage of the area is 363 Ha. The company has had abstract of title for the area. The several evidence of the abstract of title has been shown (abstract of title certificate No. 1246 (NIB: 1407.09.11.01772) on behalf of Dhedy Hermanto. All the area have been organized by Sawit Bersama Smallholder Group. There is an agreement paper of estate mangement between Wilson Situmoran (the Head of Smallholder Group) from Kendawangan Sub-District, Ketapang District and Kamsen Saragih (Director of PT GKG) from Jakarta on February 6th 2012.

PT GUNAJAYA KETAPANG SENTOSA.

- The area of block R-3 of division 4 of Seriam Jaya Estate is located beyond the Land Use Title area.

According to the result of field visit to inspect the Land Use Title (HGU) boundary pole in block R-3, division 4, block O009, the are planted area beyond the Land Use Title (HGU) boundary. It is located between the GKS 101 boundary poles, block R003 and GKS 102 boundary poles, block Q004. According to the information from the Coordinator of Public Affair Department of PT GKG/PT GKS, as shown on the data of GIS, the area located beyond Land Use Title (HGU) is 9.73 Ha. There is no evidence of the record in term of the follow up action for the planted area (year of plantin on 2008) beyond Land Use Title (HGU) area. Hence, NC No **2014.02 Major 2.2.1** for **PT GKS** is not yet Closed.

Auditor Observation:

May 6th 2015

PT GKG

The evidence of the record of resolution progress for the area beyond the Land Use Title (HGU) area are as follow:

- The total of hectarage of the area beyond the Land Use Title (HGU) is 363 Ha and the area is managed by implementing scheme smallholde program.
- The land beyond the Land Use Title (HGU) area is no longer belong to PT GKG it is now managed by the cooperative unit which manage each smallholder group.
- The collective agreement paper between the Head of smallholder group named "Sawit Bersama" and PT GKG.
- The example of the abstract of title certificate for the managed are to scheme smallholder area (**closed**).

PT GKS

According to the information from the coordinator of the Public Affair Department of PT GKG/PT GKS, the area beyond the Land Use Title (HGU) is the block Q3 for 9,73 Ha. There is no evidence of the record related to the follow up of the planted area beyond the Land Use Title (HGU) area. (year of planting on 2008) (**Open**).

May 28th 2015

PT GKS

The evidence of the record of the resolution for the area beyond the legal boundary has been shown. For example:

- The collective agreement paper of the estate management (Nomor: 001/SKK SM-GKS/IV/2015, dated April 25th 2015) between the Head of Smallholder Group named "Sawit Makmur" and PT GKS.
- Official record of the smallholder group forming named "Sawit Makmur", dated April 25th 2015.

Auditor Conclusion:

Hence, the NC is now **closed with observation**.

It shall be verified further in line with the total managed area (*Area Statement*).

PT GKG.

There are 284 spots of the Land Use Title (HGU) poles within PT GKG area.

Mekar Utama Estate

There are 145 boundary poles (pole number D05 – D09, ENC 01 – ENC 04, GKG 01 – GKG 144, INJ 01 – INJ 024, KSV 001 – KSV 012, P 01 – P 19). Total of the installed poles are 37 poles, the number of the uninstalled poles are 108 poles (official record of Land Use Title boundary pole inspection on April 11th 2015). According to the field visit to the boundary poles (GKG pole number 18, 34 & 60), the poles are well maintained and well sighted.

Kendawangan Estate

There are 138 boundary poles (pole number D01 – D04, ENC 005 – ENC 019, GKG 029 – GKG 089, GKG145 – GKG 177, K 01- K15, P 20 – P 28). Total of the installed poles are 52 poles, the number of the uninstalled poles are 86 poles (official record of Land Use Title boundary pole inspection on December 2014).

PT GKS.

There are 123 spots of the Land Use Title (HGU) poles within PT GKS based on the document of the map of Land Use Title (HGU) poles. According to the result of monitoring per December 2014, the pole condition in each estate is as follows:

Seriam Jaya Estate

There are 35 boundary poles (086 – 120). All boundary poles have been installed (official record of Land Use Title boundary pole inspection on April 28th 2015). According to the field visit to the boundary poles (GKS pole number 101, 102, 107 & 108), the poles are

well maintained and well sighted.

Banjar Sari Estate

There are 57 boundary poles (01 - 57), 9 boundary pole is not yet installed (official record of Land Use Title boundary pole inspection on March 3rd 2015)

Membuluh Sejahtera Estate

There are 31 boundary poles (57 – 85 & 121, 122). 1 boundary pole is not yet installed (official record of Land Use Title boundary pole inspection on March 30th 2015).

Hence, **NC No. 2014.03 is not yet closed.**

PT. GKG.

1. Silingian Hamlet within Mekar Utama Estate area bordering with block Z-01 and Y-01 of division VI. The area hectarage is unknown. The hectarage of the disputed land is 346 H. the evidence of the record of resolution shown by the company is the MoU between PT GKG and Well Harvest Winning Party No. 007/GKG/X/2014 on May 4th 2015.
2. The occupier on behalf of Runu that are located in block K-03 of division 5 of Kendawangan Estate (it is now block K38 of division II post the estate disintegration). The hectarage of the disputed area is unknown. There is a announcement on the area which state that "the estate is not allowed to be cultivated nor evicted" and "our land is not for palm oil estate".
The resolution progress is not able to be shown.
3. The ex rice field area within Kendawangan Estate (Division 3) bordering with block I-034 at north and block I-035 at east. The progress of resolution in form of the MoU between PT GKG and Daddy No. 006/GKG/IV/2014 (for 1 Ha) on April 1st 2015 and the MoU between PT GKG and Sudianto (for 2 Ha) on September 4 2014 has been shown.
4. Cempedak Hamlet within the area of Kendawangan Estate, Division 3 bordering with block L-253, L-254, L-255 of Division 2 of Kendawangan Estate. The hectarage of the disputed are is unknown.
The progress of resolution in form of the MoU between PT GKG and Sadim (the Head of neighbourhood association of Wonosari Hamlet) No. 009/GKG/IV/2015 (for 3 Ha) on April 6th 2015 has been shown.

PT. GKS

The area which is being opened by the locals bordering with block T-028 of Division II of Membuluh Sejahtera Estate. The hectarage of the disputed are is unknown.

The evidence of the progress of resolution in form of the MoU between PT GKG and Inyau Suparto-Head of Membuluh II Hamlet No. 008/GKG/IV/2015 (for 33 Ha) on April 6th 2015 has been shown.

Auditor Observation:

May 6th 2015

There is no evidence of the progress of the occupied land conflict resolution shown in block K-03 of division 5 of Kendawangan Estate. Hence, the NC is still not closed yet.

PT GKS

The evidence of the resolution progress has been show in form of the MoU between PT GKG and Inyau Suparto-The Head of Membuluh II Hamlet No. 008/GKG/IV/2015, dated April 6th 2015 (land hectarage for 33 Ha) – **Closed.**

June 8 th 2015

PT GKG

The evidence of the progress of the land dispute in Kendawangan Estate, Division 5, block K-03 has been shown. The evidence is the MoU No. 010/GKG/V /2015 dated May 29th 2015 between the PT GKG management unit and 29 Mei 2015 antara wakil Ujang AC (Bangunsari Hamlet). It was recognized by the Area Controller 6 and the Head of Bangunsari Hamlet. The photograph of the MoU signing is available.

Auditor Conclusion:

Hence, the NC is **closed with Observation**.

It shall be verified further in line with the total managed area (*Area Statement*).

2.2.1	Status: Non-conformity 2014.2 with major category is closed with observation	
2.2.2	Status: Non-conformity 2014.03 with minor category is open	
2.2.3	Status: Non-conformity 2014.04 with minor category is open	
2.2.4	Status: with minor category is open 2014.05 with major category is closed with observation	

2.3 Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.

The PT GKG and PT GKS management unit has documented the process of land acquisition or the crops compensation in form of the document of crops and land compensation in Bahasa Indonesia version. It is maintained in each management unit. There is a procedure of land and crops compensation No. SOP-PAD-001 which describes the stage on the process of land and crops compensation. For example, collecting the data of the future compensated land, socialization to the land owner, negotiation of crops and land agreement, management approval, payment, land handover and documentation.

According to the result of stakeholder consultation with the associated agency of Ketapang District and consultation with the locals (FGD), the company has attempted to solve several land disputes.

The process of the land acquisition or crops and land compensation are maintained in each management unit (estate) in form of the document of crops and land compensation. There are evidence of the compensation payment (crops and land compensation) to get the land. For example:

PT GKG

The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was **9,453.76 Ha to 793 families**.

The example of the record of land right acquisition of PT Gunajaya Karya Gemilang in Mekar Utama Village at block L-15, L-16 for 16.42 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 22nd 2013, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation.

PT GKS

The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was **8,605.59 Ha to 172 families**.

The example of the record of land right acquisition of PT Gunajaya Ketapang Sentosa in Kendawangan Village at **Natai Cangkam Babi** for 24 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 15th 2012, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation.

	Status: Comply	
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PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1 There is an implemented management plan that aims to achieve long term economic and financial viability.

The company has the target for period of 2014-2018. It describes the short and long term period plan in term of production of FFB, OER, KER, CPO production, kernel production to annual operational upkeep. Long term target which includes cost and actual production had evaluated by the management annually.

There is no plan of replanting for the next five years due to the requirements written on the SOP of agronomy of 3rd edition (BGAAGRKS-SOP-17 Peremajaan). According to the SOP, the palm oil plants economic age is 25 years. Meanwhile, the oldest plants in GKG was

planted on 2007 (7 years) and the oldest plants in GKS was planted on 2008 (6 years).

Status: Comply

PRINCIPLE #4 Use of appropriate best practices by growers and millers

4.1 Operating procedures are appropriately documented and consistently implemented and monitored.

According to the document review, the company has had procedures started from land clearing, planting, plant maintenance, harvesting, processing to CPO dispatch. The document is composed on the SOP of plant cultivation based on the guideline of estate technical or SOP of estate agronomy. It was issued on May 25th 2011. It was signed by the Director of Association. It consisted of 3 edition. For example:

1. BGAAGRKS-SOP-01 1st edition 1: Nursery, Land Clearing, Road and Bridge Construction, Drainage Digging and Maintenance, Soil and Water Conservation, LCC plants planting, palm oil plants planting.
2. BGAAGRKS-SOP-01 2nd edition: weed control, manuring, pest and disease control.
3. BGAAGRKS-SOP-I 3rd edition: Castraton and canopy management, plant and production census, pesticide management, transport management, marginal land management, rejuvenation.

Meanwhile, the procedure to set the processing stage is written on the document of procedure of processing stage, monitoring and quality control which describes all POM operational started from the loading ramp, sterilizer, thresher, press, clarification, kernel, boiler, power supply, water treatment, final effluent, storage tank washing, preventive maintenance schedule, effluent analysis and CPO quality test on each station.

According to the SOP (SOP of Agronomy or SOP of processing stage), there are chapters which describe the safety work procedure for each task. For example, the SOP of weed control describe the guideline of the must-worn PPE and the safety work technique. The sprayers must wear boots, masket, rubber gloves, apron and helmet. The spraying technique is implemented by following wind direction. It is similar with the safety work procedure at mill. For example, the workers of boiler station must wear boots, helmet and ear plug/ear muff.

According to the field observation, the field authority is able to demonstrate the proper work procedure based on SOP. For example, the harvester foreman and the harvester clerk are able to describe the FFB maturity criteria as written on the SOP.

The company has monitor the company operationals to monitor the procedure implementation. For example, the execution of the internal agronomy audit which is conducted by the Department of Quality Control Routinely (monthly). For example, the harvesting performance rank on March 2015. It shows the estate harvest progress. According to the document, there are score of harvesting quality and quantity such as the implementation of harvesting program SOP, POM grading program, harvest rotation quality, quality of transport, etc.

The routine mill operational monitoring program is written on the document of Audit Report Productivity, Critical Inventory, Machineries And Maintenance Assessment – Mill (PRIMA-Mill) on March 2015. The audit program is routinely (monthly) conducted by Departement of MQC. The record describe the CPO achievement and Kernel losses. The recommended suggestion and action plan are by concerning the level of digester, hydraulic cone pressure and press based on SOP and winnowing system and claybath liquid control. The mill monthly performance is also described.

All the programs executed by estate are written on the report of estate manager. It contains the document of production (distribution of production, analysis gap, analysis of production per block), manuring (plan and realization of manuring whether organic and anorganic), recapitulation of priority upkeep and assessment, weed control (harvesting path, interrow, circle and FFB collecting point), marginal area management, etc. Menawhile, the record of Kendawangan Mill operationals are written on the document of report of daily mill production. According to the report, there is a record of the incoming or processed FFB, result and quality of CPO, CPO and Kernel dispatch, CPO and PK stock, EFB, nucleus estate FFB, independent estate FFB and records during the daily processing stage.

All the FFB received by Kendawangan Mill has legal standing due to the local trade agreement between the estate and FFB supplier. The auditor has verified all FFB suppliers. For example:

- Setia Hati Cooperative Unit in contract for service No. 003/SPKL/KNDM-TBS//2015 dated January 5th 2015
- Gunung Tunggul Cooperative Unit in contract for service No. 002/SPKL/KNDM-TBS//2015 dated January 5th 2015
- PT. Mandiri Kapital Jaya in contract for service No. 001/MKJ-GKG/TBS/IV/2012 dated April 2nd 2012
- Rio Gunung Panjang in contract for service No. 005/SPKL/KNDM-TBS//2015 dated January 5th 2015
- Sarijaya Cooperative Unit in contract for service No. 001/SPKL/KNDM-TBS//2015 dated January 5th 2015
- Usaha Bersama Cooperative Unit in contract for service No. 004/SPKL/KNDM-TBS//2015 dated January 5th 2015

The agreement on the FFB trade agreement cover the data of both parties, scope of agreement, quality requirements and FFB receipt. The price of FFB is based on the monthly price applied by West Kalimantan Province Plantation Agency.

Status: Comply

4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.

According to the field observation and document review, the company has implemented agricultural practice based on SOP of estate management. For example:

1. The manuring application is based on the manuring recommendation. The recommendation refer to the result of soil and leaf analysis on Analytical Laboratory of BGA Grup. The manuring recommendation is written on the manuring plan program on the document of annual program.
2. The routine and planned plants maintenance. It should have been composed on the annual program and should have been routinely reported (monthly) in form of the monthly report of Manager.
3. Utilization of POM waste (EFB and Effluent) in order to improve soil fertility. According to the recommendation from the Department of Research, the dosage of EFB on the marginal area is 30 ton/Ha with *U-shape* system. According to the document review and field observation to block H11 of division Iv of Mekar Utama Estate, the EFB has been applied by referring the proper dosage. POME application is based on the daily record of WWTP flowmeter. According to the monthly recapitulation on period of 2015, there was 78,606 M³ of POME applied by the company till April 2015.
4. The growing of plants to keep the soil humidity. For example, routine *Neprolephis bisserata* planting as observed by the auditor on block O23 of division I of SJYE.
5. Selective weeding. The objective is to keep the beneficial plants to maintain the soil humidity, assisting the process of organic ingredient decomposition or fixation of N from air. The LCC plants like *Mucuna bracteata* and ferns like *Neprolepis bisserata* should not be sprayed.

According to the auditor verification in aspects of documentation, interview and field visit, the company has implemented good soil management principles to keep and maintain soil fertility.

The soil and leaf sampling has been routinely conducted. soil sampling is conducted once every 4 years and leaf sampling is conducted annually. According to the document observation, there are several results of analysis as follow:

1. Soil analysis: it was issued on October 10th 2014 based on letter No. 044S/AL-BGA/Int/X/2014. The result of soil analysis cover the soil analysis of soil of BSRE, SJYE, KNDE, MSJE and SBDE. The tested parameters are KA, N total, P, K, Mg, CaO, NH₄, KTK, H₂O and pH.
2. Leaf analysis: it was analyzed by the Analytical Laboratory on September, October and December 2014. The result of the leaf analysis is based on the leaf taken from each block of all estate. The tested parameters are N, P, K, Mg, Ca, B and Cu.

The record of fertilizer use is written o the Manager monthly report. For example, Mekar Utama Estate used Urea, RP, KCI/MOP, NPK 12 and TSP till April 2015. Menawhile, Seriam Jaya Estate used MOP, RP, Urea and TSP till April 2015. Furthermore, both estate also use organice fertilizer (EFB).

Status: Comply

4.3 Practices minimize and control erosion and degradation of soils.

The company (PT GKG and PT GKS) is able to show the map of marginal soil in scale 1:10,000. It is described in detail as follows:

Marginal Soil	Hectarage (Ha)				
	PT GKG		PT GKS		
	MUTE	KNDE	SJYE	BSRE	MSJE
Deep Sand	589.67	24.83	148.24	-	123.35
Spodic Sand	69.70	-	116.66	-	996.68
Koalin	751.70	1,007.35	1,870.82	287.95	797.70
Lateritic	1,434.31	897.81	-	-	-
Slope > 8%	142.02	5.88	-	-	-
Low land	1,037.20	1,644.29	155.57	92.22	1,192.51
Ebb and Flow	-	89.99	1,014.59	2,157.50	325.92

Source: Data of Marginal Soil Map of PT GKG – PT GKS

The map is the reference used by the company to decide the strategy to manage the area.

The management strategy to plant on the slopy area (based on climate and soil condition) is based on the SOP of high-erosion potential area management (Document No. BGA-SOP-CCS-113 year 2012). Several examples of the strategy are as follow:

Activities	Location	Auditor observation
Planting LCC Plants	Block M-45-47 MUTE (Year of Planting on 2010 – 2012)	The LCC plants are well maintained.
Installation of signboard and buffer zone plank	Tapah Riparian (Block K22 KNDE)	There are signboards to inform the riparian area.
	Tengar Riparian (Block A 134 – 135 MUTE)	
	Cannal MB-2 (Blok P23 SJYE)	
EFB application	Block A142, A152, A162 MUTE	The type of soil is categorized as sandy soil. The EFB application is conducted by stacking the EFB.
	Block A142, A152, A162 MUTE	
Boiler ash application	Block F011, F012 MUTE	The type of soil is categorized as sandy soil. Boiler ash application is conducted on the plant circle.
	Block P23, P24 SJYE	
Subsidence and water level monitoring on the peatland area.	Mekar Utama Estate (Block H14)	The water level monitoring is conducted by using water stick. The water level is about 50 – 60 cm. Meanwhile, the subsidence is monitored by using Piezometer on the block. According to the result of subsidence monitoring, the subsidence is about 7 cm in average (Mekar Utama Estate - Block H14) and 5.1 cm (Seriam Jaya Estate - Block P23).
	Seriam Jaya Estate (Block P23)	

The company shows the document of peatland subsidence monitoring for period of March 2014 – April 2015. For example:

Location	Result (cm)
Mekar Utama Estate (Block H14)	7
Seriam Jaya Estate (Block P23)	5.1

Source: Data of Peatland Subsidence Monitoring

Furthermore, the company also monitor the water level on the peat land area. The peat land water level measurement is conducted by using different stick of level of range. According to the data of measurement monitoring and field visit, the water level on peat land is about 50 – 60 cm.

Status: Comply

4.4 Practices maintain the quality and availability of surface and ground water.

According to the result of document review of environment management and monitoring document (DPPL, 2010) and document of the result of HCV area identification (2012), there are several water sources within PT GKG and PT GKS operational area. For example:

Company	Water Sources
- PT Gunajaya Karya Gemilang	- Bakau River
	- Kediuk River
	- Tapah River
	- Tengar River
	- Reservoir on Block D 11 (MUTE)
	- Reservoir on Block C 10 (MUTE)
	- Reservoir on Block H 9 (MUTE)
	- Reservoir on Block L 13 (MUTE)
- PT Gunajaya Ketapang Sentosa	- Kendawangan I River
	- Kendawangan II River
	- MB II River
	- MB III River
	- Reservoir on Block N 40 MSJE

Sources: Data of Water Source Location on PT GKG – PT GKS Area

According to the document of environment management and monitoring, the water shall be managed by testing the water quality (surface water). The water surface water quality is tested routinely (each semester). The company has shown the result of surface water quality test from all the identified water sources. The result of the test has been informed and has been received by the Ketapang District Environment Agency on the report of environmental management and monitoring plan in 2nd semester of 2014.

In order to preserve the waterway area within the company operational area (PT GKG and PT GKS), the company has implemented preservation programs such as the installation of signboard which inform the HCV area and mark the bufferzone area.

The company shows the result of effluent quality of Kendawangan POM in 1st quarter of 2015 (January – March 2015). The result of the test is described below:

Parameter	Unit	Result of the Test -			BML
		Jan	Feb	Mar	
BOD	mg/liter	767	640	1,126	5,000
COD	mg/liter	1,850	1,029	2,363	-

pH	-	7.39	6.93	7.27	6 - 9
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Source: The Laboratory Result of Effluent Quality Test

According to the data, the effluent quality comply the applied quality threshold.

The water source for Kendawangan POM is flowed from the reservoir nearby mill area. The reservoir water is flowed through pipe for the domestic and mill need. Kendawangan POM records the water consumption for domestic and mill consumption. The detail of water consumption of Kendawangan POM for period of January – April 2015 is as follow:

Description	Month			
	Jan	Feb	Mar	Apr
- Water Consumption for FFB processing (m ³)	23,625.90	26,677.07	28,890.49	26,365.91
- Water Consumption for Domestic Need (m ³)	5,906.47	6,669.26	7,222.62	6,591.48
TOTAL	29,532.37	33,346.33	36,113.11	32,957.39
- FFB Production (ton)	19,688.25	22,230.86	24,075.41	21,971.60
- Water Consumption Budget	1.5	1.5	1.5	1.5
- Water Consumption per Ton of FFB	1.49	1.5	1.49	1.49

Source: Data of Kendawangan POM Water Consumption

According to the data, the water consumption of Kendawangan POM is still below the projected budget.

Status: Comply

4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.

According to the result of interview with the naturalist and document observation, the company has conducted routine (monthly) IPM census. The type of the censused pest are the bagworm and nettle caterpillar, asiatic rhinoceros beetle, *Thirataba mundella*, rat and termit. According to the latest census data on February and March 2015, the level of pest attack but rat attack are still below the economy threshold.

The rat population is controlled by the biological control and chemical control. According to the field visit to barn owl sanctuary in Banjar Sari Estate (BSRE), there are 5 units of barn owl boxes installed in BSRE with hectare for about 1 : 120 Ha. Furthermore, the company also plant beneficial plants as the sanctuary for predator of the palm oil leaf eater caterpillar. The beneficial plants planted by the company are *Turnera subulata* and *Casia tora*. For example, the beneficial plants in block H11 and H12 of Mekar Utama Estate and in block O23 of Seriam Jaya Estate.

In order to ensure the awareness of employees in term of the IPM procedure, the company hold IPM training. For example:

1. Training of spraying technique on October 13th 2014 in divisin 2 of SJYE. It was attended by 23 participants consisted of foreman and sprayers.
2. Training of the limited pesticide usage on March 12th 2014 in PT GKG meeting room of Kendawangan. It was held by the West Kalimantan Province Pesticide and Fertilizer Commission. It was attended by all sprayers of MUTE and SJYE.
3. Training of pest census (early warning system) in term of the practice of IPM. It was held by Department of Research on April 6th 2015 in MUTE. It was attended by 15 participants of all estates.

4. Training of pest and disease census in block N14 of SJYE on April 22nd 2014. It was held by pest and disease naturalist. It was attended by 10 participants consisted of foreman and employees.

According to the result of interview with the sprayers of Mekar Utama Estate in block I10, they have been trained (spraying program training) and they have been able to demonstrate the spraying technique perfectly. Furthermore, they are able to describe the must-worn PPE as well as the function, protection on the unsprayed conservation area like riparian and HCV area.

Status: Comply

4.6

Pesticides are used in ways that do not endanger health or the environment

According to the document review, all the pesticides have been registered on the Director General of Agriculture Facility of RI Agriculture Ministry. According to the foreman book of record, all pesticides used by the company has been referring the weed target or the pest target. For example, the use of isoprophyl aminaglifosat and paraquat dichloride active ingredient pesticide for dealing with wide leaf weed and bushes. The company also has documented the record of pesticide toxicity routinely (monthly) on the document of monthly pesticide toxicity.

The use of pesticide is regulated and planned in detail on the annual program of each estate and by referring the SOP of weed control and SOP of pest and disease control. For example, the spraying dosage (selective weeding) is determined for 0.5 liter/Ha (paraquat dichloride) and 25 gram/Ha (metil metsulfuron) with 3 times of application per year. The dosage shall get lower and lower due to the weed decline.

According to the document review, the company does not have the policy to reduce the use of pesticide class 1A and 1B WHO and paraquat. **NC No. 2015.1**

Auditor Observation:

May 28th 2015

The company has sent the evidence of the corrective action in form of the Internal Agriculture & Technical Circular No. 016/IOM/RSC/II/2015 dated May 9th 2015 from the Head of Palm Research to all Area Controller. The document describes the recommendation of the herbicide usage for period of 2015. The policy of the adjustment of herbicide usage on 2015 by the Head of Oil Palm Research BGA Group are:

1. The herbicide class 1A and 1B (*paraquat*) shall never be used to control the weed again.
2. The estate in which the paraquate herbicide is still available is allowed to use it till it's gone. Then, the estate shall not be allowed to use or order the herbicide again.
3. The metil metsulfuron should not be used to exterminate the *Nephrolepis bisserata*. The company should use *trichlopir herbicide*.

Auditor Conclusion:

Hence, the NC No. **2015.1 as Minor indicator 4.6.4 is Closed.**

According to the law, the limited pesticide applicators must be trained for using limited pesticide. According to the document review, the company has shown the evidence of the limited pesticide training certificate for employees of MUTE and SJYE. The training was held on the PT GKG Meeting Room on March 12th 2014. It was held by the West Kalimantan Province Pesticide and Fertilizer Commission. There are several example of certificate shown by. For example:

Furthermore, in order to ensure the safe pesticide application for employees and environment, there are several attempts. For example:

1. The use of PPE such as boots, masker, apron, rubber gloves and glasses to reduce the potential of poison caused by pesticide application.
2. Spraying equipments calibration to ensure the proper dosage, target and application pesticide usage.
3. There is an MSDS (material safety data sheet) for each type of pesticide and it has been socialized to the employees. The sheet is attached on the BSS station and it is always brought by the harvester foreman and it has been understood by the foreman and sprayers.

4. There is a BSS station as the washing station to wash the work equipments to reduce the potential of chemicals contamination.
5. Extra fooding to reduce the pesticide contamination on the pesticide applicators body.
6. Routine medical check up for the employees who deal with chemicals. The examined parameters are the lungs, hearing, eye and blood. According to the latest medical check up, all employees were fit to work as pesticide applicators.
7. Training of first aid held by the estate paramedic and Ketapang Manpower Agency on March 16th – 18th 2015 in Metro Kendawangan. The purpose of the training was to train foreman and staff to deal with first aid action.

According to the field observation and interview with the sprayer of block I10 of Mekar Utama Estate and of Block P15 of Seriam Jaya Estate, the employees were able to describe and demonstrate the good spraying technique. For example, by using proper herbicide dosage, accurate application and timely proper application (applying it only in dry weather).

According to the document observation and interview with the operational staff, the company does not apply the pesticide from air.

The waste management is described on the SOP of hazardous waste management No. BGA-SOP-CCS-1101.1-R0. All employees have aware of the procedure. According to the result of interview with the sprayer foreman, the foreman was able to show the process of ex pesticide containers storing and management on the hazardous waste storage.

There is a result of physical check up and blood test on April 29th 2015 for all workers who are working with agrochemicals (fertilizer and pesticide) in Mekar Utama Estate. There were 62 examined workers of Mekar Utama Estate and 53 examined workers of Seriam Jaya Estate. There are 8 abnormal workers. The company has mutated them to the *non chemicals* programs. There is a recommendation letter from the company doctor. For example, the recommendation from doctor to the Manager of Seriam Jaya Estate on May 4th 2015 in term of the mutation for Siti Mariatun to *non chemicals* program. Based on interview with spraying workers that known if medical check for them has been done on May 2015.

The company has Internal Office Memo No. 001-INT/GKG-HRD/IOM/IX/2014 dated September 15th 2014 from the Area Controller. It describes the policy that the pregnant and breastfeeding women workers are not allowed to work with chemicals and should be mutated. According to the result of field visit and interview with the sprayers, there is no pregnant nor breastfeeding women workers working with chemicals and they have aware of the policy.

4.6.4	Status: Non Compliance Record Minor No. 2015.1	Closed
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4.7
An occupational health and safety plan is documented, effectively communicated and implemented.

The company has OHS policy which was legalized by Area Controller on January 2015. The company also has annual OHS programs for all PT GKS and PT GKG management unit for period of 2015 such as the member assembly, OHS socialization/training, PPE monitoring, signboard installation, danger potential analysis, patrol in term of OHS to medical check up.

The company has identified the hazard and risk sources identification (HIRAC). It was composed by the estate Manager. It describes the hazard risk per type of job, the occurred risk, method to control the risk. Furthermore, the company also has procedure to manage the risk. For example:

- SOP of emergency response and restoration (BGA-SOP-GKG-0413-2R0) which have been validated since May 1st 2013
- Work instruction on land fire control and prevention No. BGA/GKG-K3/IK-05-0513 which has been validated since May 2013
- Work instruction on the oil spillage and grease trap (BGA/GKG-K3/IK-01-0413) which has been validated since May 2013.

There are evidence of the safety work practice training. For example:

- Mekar Utama Estate: harvesting procedure training on February 4th 2014 in division 3. It was participated by 17 harvesters. The training taught the frond cutting, harvesting method, loosen fruit picking, FFB quality to FFB stacking on the FFB collecting point.
- Kendawang Mill: training to boiler Operator on January 22nd 2015 in term of the steam quality, safety boiler machine operation to steam equipments usage efficiency.

The company also has provided PPE based on the HIRAC identification. For example:

- Seriam Jaya Estate:
 - PPE handover to Suirah (Sprayers) on December 13th 2014. The type of PPE are masker, gloves, glasses, outfit and apron.
 - PPE handover to harvesters on April 29th 2015. The type of PPE are chisel cover.

According to the observation and interview with the sprayers, manurers, harvesters and boiler operator, they have been trained with the applied procedure and they have been given PPE based on the composed risk identification.

The company has the organization which responsible on the OHS aspect. For example:

- PT.GKG: the company has had OHS Guiding Committee which was legalized based on the decree of Ketapang Regent No. 33/NAKER/TAHUN 2015 on April 29th 2015. It has OHS Guiding Committee Secretary named Muniri (OHS Expert Certified). The Secretary has had decree of appointment which is valid for 3 years since July 20th 2012 in decree No. 2713/PK3/AJ/61/2012/P0.
- PT.GKS: the company has had OHS Guiding Committee which was legalized based on the decree of Ketapang Regent No. 34/NAKER/TAHUN 2015 on April 29th 2015. It has OHS Guiding Committee Secretary named Dian Indra Praja (OHS Expert Certified). The Secretary has had decree of appointment which is valid for 3 years since June 5th 2013 in decree No. 5628/PK3/AJ/61/2013/P0.

The company has recorded the OHS program on the company and the program has been reported to the agency. For example:

- PT.GKG: report of OHS Guiding Committee in 1st quarter of 2015 (January – March 2015). It has been reported to the Ketapang District Manpower Agency on April 24th 2015. It describes the company profile, recommendation to the company top management, OHS Guiding Committee Structure, OHS Expert certificate, work accident monitoring and monthly OHS Guiding Committee assembly official record (January 6th 2015, February 10th 2015 and March 5th 2015)
- PT.GKS: report of OHS Guiding Committee in 1st quarter of 2015 (January – March 2015). It has been reported to the Ketapang District Manpower Agency on April 24th 2015. It describes the company profile, recommendation to the company top management, OHS Guiding Committee Structure, OHS Expert certificate, work accident monitoring and monthly OHS Guiding Committee assembly official record (January 19th 2015, February 17th 2015 and Marh 9th 2015).

According to the result of interview with the Ketapang District Manpower Agency, PT GKG and PT GKS have had OHS Guiding Committee organization and have report the obligation routinely (each quarter).

The company has held regular medical check up (each semester) for the workers stationed on the high risk area such as those who deal with agrochemicals and those who work at the high noise area. The medical check up covers the physical check up, blood test, spirometri and auditometri which are adjusted with the existed dangers. According to the result of interview with the sprayers, the medical check up has been conducted by examining the physic and taking the blood sample.

The company has SOP of fire control and prevention (BGA-SOP-GKG-0413-3-R0). It was legalized by the Area Controller on May 1st 2013. It describes the fire control method by using fire extinguishing equipments and hydrant. Furthermore, the company also has work instruction. For example:

- Work instruction on the fuel tank fire No. BGA/GKG-K3/IK-04-0513 which has been validated since May 2013.
- Work instruction on land fire control and prevention No. BGA/GKG-K3/IK-05-0513 which has been validated since May 2013

The company also has held emergency response training. For example:

- Kendawang Mill:
 - First aid training on March 28th 2015 in term of first aid awareness and basic medical action. It was participated by 13 workers.
 - Training of fire extinguishing equipments use on December 18th 2014 in term of the way to use fire extinguishing equipments, type of fire extinguishing equipments and method to extinguish the fire by using fire extinguishing equipments. It was participated by 37 participants. Furthermore, there was a hydrant use training on February 8th 2014.

- Seriam Jaya Estate:
 - Fire extinguishing equipments use simulation on April 26th 2015. It was participated by 46 workers.

The company has emergency response facilities. For example:

Location	Number of Fire Extinguisher (Piece)	Number of Hydrant (Spot)	Hose	Vacuum Hose	Alcon Machine	Fire Truck	Number of First Aid Kit (Piece)	Mobile First Aid (Piece)
Mekar Utama Estate	24	-	4	2	1	1	10	3
Seriam Jaya Estate	77	-	25	6	3	1	14	29
Kendawang Estate	13	6	-	-	-	-	9	-

According to the field visit to agrochemicals storage and hazardous waste storage, the first aid kit and fire extinguishers are well maintained and those are monthly monitored. The fire extinguishing equipments on the storage are well maintained and ready use.

According to the document review over the work accident insurance payment, there are unregistered/unpaid work accident insurance for about 22 employees of Kendawang Mill, 158 workers of Seriam Jaya Estate, 153 workers of Mekar Utama Estate. According to the result of interview with the temporary period workers, the daily temporary period workers are not insured on the work accident insurance. **NC No 2014.08**

**Auditor Observation:
May 6th 2015**

According to the document review over the work accident insurance payment, there are unregistered/unpaid work accident insurance for about 22 employees of Kendawang Mill, 158 workers of Seriam Jaya Estate, 153 workers of Mekar Utama Estate. According to the result of interview with the temporary period workers, the daily temporary period workers are not insured on the work accident insurance.

June 8th 2015

The company has sent the evidence of the corrective action. For example:

- Evidence of insurance payment to the BPJS on April 2015. It was paid on May 15th 2015 via Bank Mandiri. The payment was purposed to the permanent daily and monthly employees. The temporary period employees were not included.
- Recapitulation of the BPJS dues on April 2015. It consisted of:
 - Kendawangan Mill: 102 workers
 - Seriam Jaya Estate: 412 workers
 - Mekar Utama Estate: 265 workers

According to the data of employees on March 2015, the number of employees in Kendawangan Mill are 123 workers; Seriam Jaya Estate are 561 workers and Mekar Utama are 416 workers.

According to the evidence of the corrective action. The payment of work accident insurance on May 2015 was not covering all employees.

Auditor Conclusion:

NC No. **2014.08** is still not closed yet.

The company has recorded the work accident and the calculation of Lost Time Accident (LTA) on the data of work accident for PT GKG

and PT GKS. It describes the total of work accident, total of employees, total of workhours, total of lost time, calculation of frequency rate and severity rate.

4.7.6	Status: Non Compliance Record Minor No. 2015.8	Closed
<p>4.8 All staff, workers, smallholders and contractors are appropriately trained.</p>		
<p>The company has training program plan on 2015 on the OHS programs in each management unit such as the emergency response training, agrochemicals spillage handling training, first aid training, fire extinguishing equipments training to work procedure. The target of the training participant is described on the training program. For example, the harvesting procedure training shall be given to all harvesters.</p>		
<p>There are evidence of emergency response training. For example:</p> <ul style="list-style-type: none"> • Kendawang Mill: <ul style="list-style-type: none"> - First aid training on March 28th 2015 in term of first aid awareness and basic medical action. It was participated by 13 workers. - Training of fire extinguishing equipments use on December 18th 2014 in term of the way to use fire extinguishing equipments, type of fire extinguishing equipments and method to extinguish the fire by using fire extinguishing equipments. It was participated by 37 participants. Furthermore, there was a hydrant use training on February 8th 2014. - Training for Health and Safety for automatic boiler operators in Kendawangan Mil in cooperation with Super Andalas Steel/Takuma. • Seriam Jaya Estate: <ul style="list-style-type: none"> - Fire extinguishing simulation on January 17th 2015 in term of the response on the land fire. It was participated by 11 participants. - First aid training on April 6th 2015 in term of the work accident handling and introduction of drugs on the first aid kit. It was participated by 25 participants. • Mekar Utama Estate: Fire extinguishing equipments use training on March 11th 2015 in term of the method to use fire extinguishing equipments. It was participated by 18 workers. 		
<p>There are evidence of the safety work practice training. For example:</p> <ul style="list-style-type: none"> • Mekar Utama Estate: harvesting procedure training on February 4th 2014 in division 3. It was participated by 17 harvesters. The training taught the frond cutting, harvesting method, loosen fruit picking, FFB quality to FFB stacking on the FFB collecting point. • Kendawang Mill: training to boiler Operator on January 22nd 2015 in term of the steam quality, safety boiler machine operation to steam equipments usage efficiency. • Seriam Jaya Estate: training of safety harvesting procedure in division 1 on February 1st 2015. It was participated by 17 participants. The training taught the way to minimize the lossess, pruning to FFB stacking on the FFB collecting point. 		
<p>Accoding to the result of interview with the sprayers, the workers are trained for understanding the safety work procedure, spraying program standard to OHS implementation.</p>		
<p>Status: Comply</p>		
<p>PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity</p>		
<p>5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.</p>		
<p>PT Gunajaya Karya Gemilang (PT GKG) According to the document review, PT GKG operationals was started on 2007 – 2008 (first planting). During the planting program on 2008, the company did not have document of environment assessment. According to the law on statute No. 23 Year 1997 in term of the environment management and Environment Ministry Regulation No 12 Year 2007 in term of the document of environment management</p>		

Monitoring for the business that does not have document of environment management, the company has started the operations but did not have the document of environment assessment must compose the document of environment management and monitoring. Therefore, PT Gunajaya Karya Gemilang compose the document of environment management and monitoring as the reference to manage and monitor the environment within estate area.

The analysis of environment was conducted on 2010 with the scope of study for 10,000 Ha with mill capacity for 60 ton of FFB/hour. The document has been legalized by the associated agency (West Kalimantan Governor) based on the decree of West Kalimantan Governor No. 562/BLHD/2010 dated December 13th 2010. It was approved by the EIA assessor commission of West Kalimantan Province in No. 362/BLHD/2010 on December 13th 2010.

According to the document of environment management and monitoring, the company must manage and monitor the environment on the aspects below:

- Social Restlessness
- Air quality reduction and increase of noise
- Reduction of the river water quality
- Increase of soil erosion rate
- Land fire potential
- Diversity of flora and fauna
- Job and business opportunity
- Increase of income
- Community health

According to the result of document observation, there is no impact assessment over the effluent utilization to soil by mill. Therefore, in order to reduce the negative impacts, the impact identification program need to be conducted. **(See NC No. 2015.2).**

Auditor Observation:**June 8th 2015**

The company has sent the evidence of corrective action in form of the information paper from the Ketapang District Environment Agency No. 660.1/353/KLH-B dated June 1st 2015 in term of the guideline of the environment document on the estate management over the POME management to PT GKG soil dated June 1st 2015. The document describes:

1. PT GKG has had proper environment document based on the decree of West Kalimantan Governor No. 561/BLHD/2010 dated December 15th 2010.
2. According to the environment document of PT GKG, the POME is managed by having it wasted to the river.
3. PT GKG has achieved permit of effluent utilization to soil based on the decree of Ketapang Regent No. 660/2405/KLH-B dated November 28th 2013 in term of the approval of effluent analysis on the estate for 25.71 Ha.
4. In order to anticipate the contamination over the river, the companies on Ketapang District should not dispose the waste to the river and the company should process and use it based on the decree of Ketapang Regent No. 660/0429/KLH-B dated March 18th 2015 in term of the execution of the estate operations based on the sustainable development and environmentally friendly.
5. According to the description on point 1 to 4, the environment document of PT GKG is approved by considering the reduction of the effluent flow to the river. Hence, the company should manage and monitor the environment as written on the environment document and the obligation to use the effluent to the land.

Auditor Conclusion:

Hence, the NC No. **2015.2** is **Closed**.

PT Gunajaya Ketapang Sentosa (PT GKS)

According to the document review, PT GKS operations was started on 2008 (first planting). During the planting program on 2008, the

company did not have document of environment assessment. According to the law on statute No. 23 Year 1997 in term of the environment management and Environment Ministry Regulation No 12 Year 2007 in term of the document of environment management amonitoring for the business that does not have document of environment management, the company has started the operationals but did not have the document of environment assessment must compose the document of environment management and monitoring. Therefore, PT Gunajaya Ketapang Sentosa compose the document of environment management and monitoring as the reference to manage and monitor the environment within estate area.

The analysis of environment was conducted on 2010 with the scope of study for 10,000 Ha with mill capacity for 60 ton of FFB/hour. The document has been legalized by the associated agency (West Kalimantan Governor) based on the deree of West kalimantan Governor No. 561/BLHD/2010 dated December 13th 2010. It was approved by the EIA assessor commission of West Kalimantan Province in No. 561/BLHD/2010 on December 13th 2010.

According to the documt of environment management and monitoring, the company must manage and monitor the environment on the aspects below:

- Social Restlessness
- Air quality reduction and increase of noise
- Reduction of the river water quality
- Increase of soil erosion rate
- Land fire potential
- Diversity of flora and fauna
- Job and business opportunity
- Increase of income
- Community health

According to the result of document observation, there is no impact assessment over the effluent utilization to soil by mill. Therefore, in order to reduce the negative impacts, the impact identification program need to be conducted.

The company (PT GKG and GKS) shows the document of report of environmental management and monitoring plan implementation in 2nd semester of 2014. The report is reported and received by Ketapang District Environment Agency on March 4th 2015. The report is referring the format of the environmental management and monitoring plan reporting based on the decree of Environment Ministry No. 45 year 2005. The description on the report is based on the document of environmental management and monitoring plan. The monitored and managed aspects are the social restlessness, reduction of aid quality and increase of noise, reduction of river water quality, increase of soil erosion, land fire potential, flora and fauna biodiversity, job and business opportunity, increase of community income and health.

5.1.2	Status: Non Compliance Record Minor 2015.2	Closed
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5.2
The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced

Management unit has had document of HCV existence identification and analysis.
 There is a document of HCV existence identification and analysis within the area. It was identified by the Faculty of Forestry of Bogor Agricultural University on April – June 2011. There is an HCV area within PT Gunajaya Ketapang Sentosa and PT Gunajaya Karya Gemilang (GKG).

No	HCV	Width of Riparian Area	Hectarage (Ha)
1	Riparian/Cannal	15 - 50	72.11
2	Swamp	-	0.26
3	Sacred Spot	-	0,05
Total of HCV Area Hectarage			72.42

There is available of Management Plan and Realization of HCV year 2012 till 2016.

The attempts conducted by PT GKG and PT GKS to preserve the HCV identified area are as follow:

- Planning the plants enrichment on the riparian area.
- Installing the signboard which inform the prohibition to cut the tree down, to hunt and to poisons fish.
- Installing poster of the endanger animals within PT GKG and PT GKS area.
- Socializing the HCV area and animals within PT GKG and PT GKS area.
- Installing fence around the cemetery area.



The company was periodically monitoring of flora and fauna at HCV area. Based on monitoring results that known information about population data. The management has pointed staff in every estate for manage and monitoring of HCV.

According to the field visit to HCV area such as Tapa River, Tengar River, swamp of block I23-25 in PT GKG and Membuluh Estate Cannal (Block R 24 and Q 24) in PT GKS, the are have been installed with signboards, poster which informs the endanger species and signboards which inform the preservation on the HCV area and suggestion for not doing illegal actions. PT GKG and PT GKS management unit has also train and assigned employees to manage and monitor HCV area.

Status: Comply

5.3

Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.

The company shows the document of hazardous waste source identification of the waste generated by the estate and mill operationals.

The company has had SOP in term of hazardous waste management such as the SOP of hazardous waste management No. BGA-SOP-CCS-1101.1-R0. According to the SOP, the generated hazardous waste from estate and mill like rage, used bulb, use oil, used filter, ex agrochemicals containers stored on the permitted hazardous waste storage are transported by the permitted hazardous waste collector (contractor).

The company (PT GKG dan PT GKS) is able to show the document of hazardous waste management report to the associated agency (Ketapang District Environment Agency, West Kalimantan Province Environment Agency and Ketapang Regent) for period of 1st quarter of 2015 (January – March 2015) on April 30th 2015. According to the document, there are information of the type of the generated waste, waste sources, hazardous waste management program. The type of the reported hazardous waste are the used oil, used battery, used filter, rag, hazardous waste contaminated things (used chemicals containers) and medical waste. According to the result of field observation based on the type and characteristic of waste, the company has stored hazardous waste based on the type and characteristic of waste. All the collected hazardous waste have been permitted by the Environment Ministry.

In order to avoid and reduce the pollution or contamination caused by mill or estate operationals, the company attempted to do several efforts. For example:

- Analyzing the effluent utilization. Kendawangan POM is now testing the effluent utilization based on the decree of Ketapang Regent No. 660/2405/KLH-B dated November 28th 2013 in term of the approval of effluent analysis for the LA in 25.71 Ha of estate. According to the analysis, Kendawangan POM flows the effluent to block J039.
- Applying solid waste like EFB and boiler ash to the land. According to the result of document observation, PT GKG and PT GKS have implemented EFB and boiler ash. For example, the EFB application in block A142, A152, A162 MUTE (PT GKG); boiler ash application in Block P23, P24 SJYE (PT GKS).
- Using solid waste (fibre and shell) as boiler fuel. According to the result of document observation, Kendawangan POM has used fiber and shell as boiler fuel.

- Providing permitted place to store hazardous waste.
PT Gunajaya Karya Gemilang (Decree of Ketapang Regent No. 388/KLH-B/2014 in term of the granting of hazardous waste storage permit to PT Gunajaya Ketapang Sentosa dated July 16th 2014). The permit is valid for 5 years since its issuance.

PT Gunajaya Ketapang Sentosa (Decree of Ketapang Regent No. 388/KLH-B/2014 in term of the granting of hazardous waste storage permit to PT Gunajaya Ketapang Sentosa dated July 16th 2014. The permit is valid for 5 years since its issuance.
- Cooperating with the third party to collect and transport the hazardous waste. The cooperation bind PT GKG and PT GKS and PT Raja Ampat Nusantara. PT Raja Ampat Nusantara (Hazardous Waste Collector based on decree of Environment Ministry No. B-4910/Dep.IV/LH/PDAL/05/2014 dated May 2nd 2014). The decree is supported by the decree of Director General of Land Transportation No. SK.2400/AJ309/DJPD/2014/330100684BB in term of the permit to transport hazardous stuff. PT Raja Ampat Nusantara cooperated with the hazardous waste collector (PT Prasadha Pamunah Limbah Industri (PPLI)).

Status: Comply

5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.

The company shows the document of consumption of diesel fuel, shell and fiber. For example:

Type of Waste	Unit	Month			
		Jan	Feb	Mar	Apr
- Shell	Kg	883,621	952,134	837,824	764,611
- Fiber	Kg	2,854,796	3,223,475	3,490,934	3,185,881
- Diesel Fuel	Liter	37,865	23,219	25,135	24,610

Source: Monthly Report of Kendawangan POM Manager

According to the data, the management unit of Kendawangan POM has analyzed the efficiency of petroleum fuel consumption due to the consumption of fiber and shell as the boiler fuel as well. According to the result of analysis, the use of fiber and shell composition by 90% : 10% is able to retrench the diesel fuel IDR 69,428/processing hour or 4.62 liter of diesel fuel/hour (price assumption per liter solar @ IDR 15,000,-)

Status: Comply

5.5 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.

The company clears the land mechanically. It is proven by several document such as the contract for service for land clearing. According to the contract for service agreement paper, the land clearing program is conducted mechanically. It is supported by the field visit (no indication of the land clearing using fire).

The company does not burn the land to clear it. Furthermore, the replanting program is not yet conducted. The oldest year of planting was in 2007 (7 years).

Status: Comply

5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.

According to the result of observation on the document of environment management and monitoring, the estate and mill operational cause the reduction on the air quality (emission and ambient) and reduction on the soil and water quality caused by effluent. The company has shown the document of the result of emission and ambient air quality in 2nd semester of 2014 and the result of effluent quality test on the 1st quarter of 2015 (January – March). According to the result of emission and ambient air quality, all parameters comply the applied environment quality threshold.

The company shows the SOP of GHG emission inventory and prediction (Document No. BGA-SOP-CCS-1107 year 2012). The SOP

describes the flow chart to predict the GHG emission and to implement the GHG emission mitigation in the company operational unit by considering company policy, technology and company finance support.

According to the document of inventory & calculate green house gasses of PT GKG dan PT GKS, the company has had the emission prediction caused by the estate and mill operationals. For example:

PT GKG and PT GKS		
Program	Emission	Unit
Manuring	40.9071314,45	kg CO ₂ eq
The Use of Pesticide	137,898.71	kg CO ₂ eq
The Consumption of Petroleum Fuel for Generator	1,599,633	kg CO ₂ eq
Petroleum Fuel for Vehicle	834,222.64	kg CO ₂ eq
Petroleum fuel for transporting FFB and EFB	1,413,649.22	kg CO ₂ eq
Landuse trajectory	1.229	kgCO ₂ eq/kg FFB
Kendawangan POM		
Program	Emission	Unit
The Use of Electricity	134,688	kg CO ₂ eq
The Use of Biomass for Boiler	385,740,600	kg CO ₂ eq
The Consumption of Petroleum Fuel	103,487	kg CO ₂ eq
CPO Transport	12,058	kg CO ₂ eq
The Use of Chemicals	56,591	kg CO ₂ eq
Effluent treatment	65,123,430	kg CO ₂ eq
Total	451,170,854	kg CO ₂ eq
Total	7,611.23	kg CO₂ eq/ton of CPO/year
Total of Estate + POM	496,038,555	kg CO ₂ eq/year

Status: Comply

PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills

6.1 Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.

The SIA has been conducted to identify the positive and negative impacts caused by the estate and mill operationals. The evidence of the record of SIA document of PT Gunajaya Karya Gemilang (PT GKG) and PT Gunajaya Ketapang Sentosa (PT GKS) on 2012 have been shown. The assessment was conducted by Faculty of Forestry of Bogor Agricultural University. The attendance list and photographs are available.

Example of the record evidence:

PT GKG

- Attendance list of the FGD in Mekar Utama Village on April 13th 2014.
- Attendance list of the FGD in Kendawangan Kiri Village on April 15th 2014.
- Attendance list of the FGD in Banjarsari Village tanggal April 15th 2014.
- Attendance list of the FGD with the employees on April 14th 2014.

PT GKS

- Attendance list of the FGD in Hamlet of MD II on April 16th 2014.
- Attendance list of the FGD with the employees on April 16th 2014.

The PT GKG & PT GKS management unit have shown several records of the SIA result follow up. For example:

- Action Plan Program for CSR of PT BGA of Area 6 on 2014 and 2015 in Banjarsari Village, Mekar Utama Village, Seriam Village and Kendawangan Village. It is the follow up action of the SIA program on 2012. The plan has been composed collectively with the locals. The official records and photographs are available.
- Example of the perception questionnaire to the locals.
- Record of the result of forum for the suggested project by village administrative government of Banjarsari Village on February 2nd 2015.
- Example of the development programs of Kendawangan Village development based on the forum result on 2015.

Hence, **NC No. 2014. 13 is Closed**

The evaluation and revision on several programs (ongoing or planned programs) have also been conducted. it is based on the input from several nearby villages. For example:

- Record of the result of forum for the suggested project by village administrative government of Banjarsari Village on February 2nd 2015.
- Example of the development programs of Kendawangan Village development based on the forum result on 2015.

6.1.3	Status: Non Compliance Record Minor No. 2014.13	Closed
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6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.

- a. Procedure of information request
- The information request lettec can be sent via e-mail, letter, telephone, fax or visiting the regional office and or head office;
 - The management unit at the regional area assigned to receive the information or request is the Head of Administration (similar level management unit is allowed as well). The Departemen Corporate Communication & Sustainability in Jakarta can only receive the information request from the external party;
 - The person who receive the report should report it to the appointed PIC by recording the subject, type of the requested information, record and document and make the receipt mark to the information requester;
 - The PIC shall give the request to the purposed department;
 - The purposed department shall give the information need by the stakeholders and consult with the highest manager to get the approval for the information;
 - The information request requires the coordination among the department to prepare it. Hence, the information request shall be given within 10 days after the information request received by the company;
 - The information request need field visit to mill or estate and document review. Therefore, the request should be known and approved by the Area Controller. The Area Controller shall appoint the Liaison Officer on the field visit.
- b. Procedure of information response to the stakeholder
- The Officer who give information must ensure that all procedures have been complied before giving the information to the requester;
 - The Officer who give information is able to inform the information in form of report, written document, picture, record via email, letter, fax or any other proper ways;

- The Liaison Officer who guide the field visit to the document room must inform the prohibited documents to be copied, to be scanned or to be shot without the approval of Area Controller;
- The stakeholders are given permits by referring the applied company regulation;
- The stakeholders who request for the information must fill the guest book as evidence of the attendance on the visited place.

The company has assigned the Officer to deal with the communication and consultation as well as accomodating the aspiration and complaint from the internal and external parties based on the decree of Area Controller of Region 6 No. 085/GKG-AC/SK/V/2015 dated May 2nd 2015 on behalf of Gabriel Heru Prasetyo.

According to the document review, the company is not able to show the list of the most updated stakeholders. **NC No. 2015.3**

Auditor Observation:

May 28th 2015

The company has sent the evidence of corrective action in form of the document of the list of Stake Holder (Document No. GKG-Sust.-SH-01). It was legalized by the Area Controller 6 on May 25th 2015). The documents describes 15 stakeholders from Kendawangan Sub-District, 12 stakeholders from Ketapang District and 10 stakeholders from the contractors.

Auditor Conclusion:

Hence, **NC No. 2015.3 is Closed**

6.2.3	Status: Non Compliance Record Minor 2015.3	Closed
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6.3
There is a mutually agreed and documented system for dealing with complaints and grievances, which is Implemented and accepted by all affected parties.

The PT GKG and PT GKS management unit has had procedure of external complaint resolution (BGA-SOP-GKG-0315-27-RO). It becomes the reference to deal with the external complaint.

Several evidence of the records in form of the official record of socialization and document receipt in Banjarsari Village, Kendawangan Kiri Village and Seriam Village have been shown, however, there is no adequate that socialization has been conducted by involving the amicus curiae and it has been accepted by the amicus curiae. **NC No. 2014.15**

Auditor Observation:

May 6th 2015

PT GKG and PT GKS management unit has had the procedure to solve the external complaint (BGA-SOP-GKG-0315-27-RO). The SOP is considered as the reference to deal with the complaint expressed by the external parties.

Several evidence in form of the official record of socialization and the document handover signing in Banjarsari Village, Kendawangan Kiri Village and Seriam Village (via the person) have been shown.

However, the evidence is considered inadequate due to the lack of evidence that the socialization involves several parties as well as the acceptance by the impacted parties (*amius curiae*).

June 8th 2015

PT GKG and PT GKS has sent several corrective actions. For example:

1. Official record of the socialization of the SOP of external complaint resolution and SOP of communication in Mekar Utama Village. The attachment of the attendance list (government and the locas) & the program photographs are available.
2. Official record of the socialization of the SOP of external complaint resolution and SOP of communication in Seriam Jaya Village. The attendance list (government and the locas) & the program photographs are available..

Auditor Conclusion:

Hence, the NC on the indicator is **closed**.

6.3.1	Status: Non Compliance Record Major 2014.15	Closed
<p>6.4 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.</p>		
<p>The PT GKG and PT GKS management unit has documented the process of land acquisition or the crops compensation in form of the document of crops and land compensation in Bahasa Indonesia version. It is maintained in each management unit. There is a procedure of land and crops compensation No. SOP-PAD-001 which describes the stage on the process of land and crops compensation. For example, collecting the data of the future compensated land, socialization to the land owner, negotiation of crops and land agreement, management approval, payment, land handover and documentation. According to the result of stakeholder consultation with the associated agency of Ketapang District and consultation with the locals (FGD), the company has attempted to solve several land disputes.</p> <p>The process of the land acquisition or crops and land compensation are maintained in each management unit (estate) in form of the document of crops and land compensation. There are evidence of the compensation payment (crops and land compensation) to get the land. For example:</p> <p>PT GKG</p> <p>The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was 9,453.76 Ha to 793 families. The example of the record of land right acquisition of PT Gunajaya Karya Gemilang in Mekar Utama Village at block L-15, L-16 for 16.42 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 22nd 2013, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation.</p> <p>PT GKS</p> <p>The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was 8,605.59 Ha to 172 families. The example of the record of land right acquisition of PT Gunajaya Ketapang Sentosa in Kendawangan Village at Natai Cangkam Babi for 24 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 15th 2012, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation</p>		
<p>Status: Comply</p>		
<p>6.5 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.</p>		
<p>There is a decree of West Kalimantan Government No. 540/NAKERTRANS/2014 dated November 21st 2014 in term of the district sectoral minimum wage standard o 2015 for IDR 1,980,000 (USD 152). In order to comply the regulation, the company has issued Internal Office Memo No. 011/IOM/PIR-HC//2015 in term of the employee wage BLN/KHT/KHL year 2015 in region 6, 7 and 8 (Ketapang District – West Kalimantan) on January 21st 2015. According to the list of employee’s wage in March 2015, there is no understandard employee wage. It is supported by the result of interview with the Bipartit cooperative forum. The workers have also known the minimum wage standard issued by.</p> <p>The rights and obligations of the employees are written on the company regulation. For example:</p> <ol style="list-style-type: none"> 1. Company Regulation of PT. Gunajaya Karya Gemilang for period of 2014 – 2016. It has been legalized by the Director General of Industrial Relation Guidance and Labour Social Assurance No. 340/PHIJSK-PKKAD/PP/IV/2014 on April 7th 2014. According to the decree, the company regulation is considered valid since January 1st 2014 to December 31st 2016. 2. Company Regulation of PT. Gunajaya Ketapang Sentosa for period of 2014 – 2016. It has been legalized by the Director General of Industrial Relation Guidance and Labour Social Assurance No. 344/PHIJSK-PKKAD/PP/IV/2014 on April 7th 2014. According to the decree, the company regulation is considered valid since January 1st 2014 to December 31st 2016. 		

There is a letter in term of the company regulation compilation. It has been approved by the employee representatives on January 6th 2014 (signed by 5 representatives). The company has socialized the company regulation to employees of all management unit of PT GKG and PT GKS on April 29th – 30th 2015 and on May 2nd 2015. It was attended by staff and employees.

The company provides the facilities for the workers welfare such as the polyclinic, house, place of worship and daycare, sport facility and school facility. According to the field observation to the employee settlement, the settlement is well maintained and there are several facilities for workers such as sport facility, place of worship and daycare.

According to the interview with the representatives of Bipartit cooperative forum and gender committee, the access for workers to fulfill their need is well maintained. According to the field observation, there is a grocery store on the settlement. The company also give rice allowance (monthly) based on the Internal Office Memo No. 011/IOM/PIR-HC//2015.

Status: Comply

6.6 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.

There is a policy of the obligation to the workers. It was signed by Area Controller of Region VI on October 2013. According to the point 3, the company respect and appreciate the right of worker to join or form the labour union based on the statute No. 21 Year 2000. PT GKG and PT GKS has had Bipartit cooperative forum. It has been registered to the associated agency. The evidence of its registration are as follow:

- Decree of the Manpower Agency (No. 37 Year 2014 dated April 30th 2014) in term of the recording of Bipartit cooperative forum in PT GKG. The number of its member is 36 members consisted of industrialist and employees.
- Decree of the Manpower Agency (No. 37 Year 2014 dated April 30th 2014) in term of the recording of Bipartit cooperative forum in PT GKS. The number of its member is 12 members consisted of industrialist and employees.

There is a record of meeting of the employee representatives on the Bipartit cooperative forum on Seriam Jaya Estate on March 23rd 2015. It discussed the complaint in term of the BPJS balance, the medical service paid by the company and advise box inspection.

Status: Comply

6.7 Children are not employed or exploited.

There is a policy of the obligation to the workers. It was signed by Area Controller of Region VI on October 2013. According to the point 4, the company does not employ underage workers based on the statute No. 13 Year 2003 in term of Manpower and based on the statute No. 1 Year 2000 in term of ratification of ILO Convention No. 182.

According to the document review on employee's data and field visit, there is no underage workers. The youngest worker is 20 years old (born in 1995).

Status: Comply

6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.

There is a policy of the obligation to the workers. It was signed by Area Controller of Region VI on October 2013. According to point 1, the company offer fair job opportunity regardless race, religion, degree, tribes, gender, skin colour, disability, sexual orientation, political affiliation, organization membership and age.

According to the document review, the workers are constituted by several tribes such as Javanese, Malay, bataknese, Floresee and Dayaknese. It is in line with the field visit and interview with the workers. Furthermore, there is no discrimination regarding religion nor gender.

The company has shown that there is no any discrimination in term of the recruitment. There are evidence of the data of recruitment and job promotion. For example:

- Promotion for the workers on behalf of Cecep Tri Sudarto from the temporary period workers to permanent daily workers on November 1st 2014. The promotion is supported with the employee's profile (ID and photographs), application letter, CV, Police Information Paper, education certificate (the latest), the result of medical check up from the company clinic and the employee's assessment in last 3 months.
- Promotion for the workers on behalf of Asep Pupung from the permanent daily workers to permanent monthly workers on January 10th 2015. The promotion is supported with the assessment of the employee's achievement as well as the attitude, attendance list and warning paper and work achievement.

Status: Comply

6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.

The company has had the policy to prevent the sexual harassment as well as the reproduction rights. For example:

- Policy of responsibilities over the workers which was signed by Area Controller of Region VI on October 2013. According to point 2, the company protects the women workers from the sexual harassment and any domestic violence that have to do with the women reproduction rights.
- The company regulation in term of the number of day granted for childbirth day off for 45 days before the childbirth and 45 days after the childbirth and menstruation day off for 2 days with the doctor's recommendation.

According to the result of interview with the Head of Gender Committee and the sprayers, the sprayers have aware of the policy of sexual harassment and have known the women reproduction rights such as the menstruation day off and childbirth day off for 3 months.

The company also has procedure to inform the complaint and disgruntle as written on:

- The company regulation for period of 2014-2016 for PT GKG and PT GKS. It was legalized by the Director General of Industrial Relation Guidance and Social Labour Assurance on April 7th 2014 specifically on clause 5 of chapter II of the complaint delivery.
- SOP of Grievance Resolution No. BGA-SOP-HC-311.1-R0 which was applied since January 1st 2012.

According to the interview with the women workers, the have aware of the procedure of specific complaint by having it reported to the gender committee.

Status: Comply

6.10 Growers and mills deal fairly and transparently with smallholders and other local businesses.

The FFB pricing is conducted by West Kalimantan Province Plantation Agency, the company has the paper of FFB pricing (monthly). For example, the price on January – April 2015. According to the paper, the FFB price / Kg is based on the age of plants. For example, the FFB price for the FFB on April 2015 for 3 years old plants was IDR1,268.67 per Kg; 4 years old plants was IDR 1,375.54 per Kg; 5 years old plants was IDR 1,474.94 per Kg, etc.

The company has the FFB trade agreement. It describes the profile of each party, scope of the agreement and receipt of FFB, FFB pricing based on the West Kalimantan Provice Plantation Agency, period of agreement, payment method (twice a month via bank transfer to the contractor's account at least 10 days after invoice issuance), assurance and term of the agreement termination, resolution. For example:

- Setia Hati Cooperative Unit in contract for service No. 003/SPKL/KNDM-TBS/II/2015 dated January 5th 2015
- Gunung Tunggal Cooperative Unit in contract for service No. 002/SPKL/KNDM-TBS/II/2015 dated January 5th 2015
- PT. Mandiri Kapital Jaya in contract for service No. 001/MKJ-GKG/TBS/IV/2012 dated April 2nd 2012
- Rio Gunung Panjang in contract for service No. 005/SPKL/KNDM-TBS/II/2015 dated January 5th 2015
- Sarijaya Cooperative Unit in contract for service No. 001/SPKL/KNDM-TBS/II/2015 dated January 5th 2015
- Usaha Bersama Cooperative Unit in contract for service No. 004/SPKL/KNDM-TBS/II/2015 dated January 5th 2015

<p>There is an evidence of the FFB price calculation on the official record of the FFB handover. For example, Setia Hati Cooperative Unit for period of March 16th – 31st 2015. It was signed by the Head of Setia Hati Cooperative Unit, Mill Manager to Area Controller. The evidence was the money transfer to the account of the Setia Hati Cooperative Unit on April 13th 2015.</p>	
<p>Status: Comply</p>	
<p>6.11 Growers and millers contribute to local sustainable development wherever appropriate.</p>	
<p>There are CSR program on 2015 in all management unit of PT.GKG and PT. GKS for the aspect of economy development, infrastructure construction, social assistance, assistance for customary events in Banjarsari Village, Kendawangan Kiri Village, Mekar Utama Village, Seriam Village, Kodondong Village, Mustika Kendawangan Village.</p> <p>The company has contributed on the local development with their CSR program for period of 2014. It was conducted since July – December 2014. The CSR programs covers the aspect of economy development, donation for facilities maintenance, social events, religious rituals, sport game. Total of the events supported by the company CSR were 33 events.</p> <p>The company also has cooperated with the locals to do the company project. For example, the contract for service paper for building construction No. 389-BGN/GKGL-KNLC/CVL-JKT/07/2014 dated July 1st 2014. It was the agreement between PT GKG and A.Razak in West Banjarsari Hamlet RT/RW 001/001, Banjar Sari Village, Kendawangan Sub-District, Ketapang District, West Kalimantan Province to build the employees settlement.</p> <p>There are 5 cooperative units working with PT GKG and PT GKS so far. Those are: 1. Usaha Bersama Cooperative Unit; 2. Karya Bersama Cooperative Unit; 3. Binasari Cooperative Unit; 4. Rimba Sari Cooperative Unit; 5. Fajar Mandiri Cooperative Unit.</p>	
<p>Status: Comply</p>	
<p>6.12 No forms of forced or trafficked labour are used.</p>	
<p>The company has collective agreement letter between the company and the workers in term of the data of employees, type of job, task and placement, wage and class, workhours, work regulation, other terms. The agreement paper is composed in mentally health condition and voluntareely. For example, the collective labour agreement for daily permanent workers No. 123/PT.GKG – MKNR/SPK-PTH/I/2015 dated January 1st 2015 on behalf of Agus Budi Santoso as the researcher. It is supported by the result of interview with the Bipartit cooperative institute representatives. The collective labour agreement is valid for 6 months.</p> <p>The company does not substitute the contract, all the workers are the permanent workers. It is supported by the decree of work promotion and collective labour agreement.</p> <p>The workers are not migrant workers nor foreign workers. The workers are not employed temporary (permanent workers). It is supported by the decree of work promotion and collective labour agreement.</p>	
<p>Status: Comply</p>	
<p>6.13 Growers and millers respect human rights</p>	
<p>The policy to respect the human rights is written on the composed company regulation of PT GKG and PT GKS. It describes the worktime, waging, rights, right to take day off, permits, labour social assurance and rewards.</p> <p>The company has socialized the government regulation to all employees of PT GKG and PT GKS management unit on April 29th – 30th 2015 and on May 2nd 2015. It was attended by staff and employees.</p>	
<p>Status: Comply</p>	
<p>PRINCIPLE #7 Responsible development of new plantings</p>	

7.1

A comprehensive and participatory independent social and environmental assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.

PT Gunajaya Karya Gemilang (PT GKG)

PT GKG has had the document of EIA. It was composed by the independent consultant (CV. Intergraha Citra Persada Pontianak. It was legalized by the decree of West Kalimantan Governor No. 562/BLHD/2010 dated December 13th 2010. It was approved by the EIA assessor commission of West Kalimantan Province in decree No. 362/BLHD/2010 dated December 13th 2010). The stakeholder consultation with the local government and the locals have been conducted before the document compilation. The document of environmental management and monitoring also describes the establishment of the scheme smallholder based on the Agriculture Ministry No. 26 Year 2007. According to it, the company has obligation to establish the estate for the locals for at least 20% of the total area.

Furthermore, the company also has the document of Social Impact Assessment (SIA). It was composed by the consultant (Bogor Agricultural University – IPB) on 2012. The document analyze the positive and negative impacts caused by the company operationals.

PT Gunajaya Ketapang Sentosa (PT GKS)

PT GKS has had the document of EIA. It was composed by the independent consultant (CV. Intergraha Citra Persada Pontianak. It was legalized by the decree of West Kalimantan Governor No. 561/BLHD/2010 dated December 13th 2010. It was approved by the EIA assessor commission of West Kalimantan Province in decree No. 561/BLHD/2010 dated December 13th 2010). The stakeholder consultation with the local government and the locals have been conducted before the document compilation. The document of environmental management and monitoring also describes the establishment of the scheme smallholder based on the Agriculture Ministry No. 26 Year 2007. According to it, the company has obligation to establish the estate for the locals for at least 20% of the total area.

Furthermore, the company also has the document of Social Impact Assessment (SIA). It was composed by the consultant (Bogor Agricultural University – IPB) on 2012. The document analyze the positive and negative impacts caused by the company operationals. The company has had the plan of environment management as described on the document of environmental management and monitoring plan. The company also has implemented it as described on the report of environmental management and monitoring plan implementation per semester.

The company (PT GKG and PT GKS) also has composed the action plan (management plan) over the result of social impact (SIA).

Status: Comply

7.2

Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

The company (PT GKG and PT GKS) is able to show the map of marginal soil in scale 1:10,000. It is described in detail as follows:

Marginal Soil	Hectarage (Ha)				
	PT GKG		PT GKS		
	MUTE	KNDE	SJYE	BSRE	MSJE
Deep Sand	589.67	24.83	148.24	-	123.35
Spodic Sand	69.70	-	116.66	-	996.68
Koalin	751.70	1,007.35	1,870.82	287.95	797.70
Lateritic	1,434.31	897.81	-	-	-
Slope > 8%	142.02	5.88	-	-	-
Low land	1,037.20	1,644.29	155.57	92.22	1,192.51
Ebb and Flow	-	89.99	1,014.59	2,157.50	325.92

Source: Data of Marginal Soil Map of PT GKG – PT GKS

The map is the reference used by the company to decide the strategy to manage the area.

The management strategy to plant on the slopy area (based on climate and soil condition) is based on the SOP of high-erosion potential area management (Document No. BGA-SOP-CCS-113 year 2012). Several examples of the strategy are as follow:

Activity	Location	Objective
Planting LCC Plants	Block M-45-47 MUTE (Year of Planting on 2010 – 2012)	The LCC plants are well maintained.
Installation of signboard and buffer zone plank	Tapah Riparian (Block K22 KNDE)	There are signboards to inform the riparian area.
	Tengar Riparian (Block A 134 – 135 MUTE)	
	Cannal MB-2 (Blok P23 SJYE)	
EFB application	Block A142, A152, A162 MUTE	The type of soil is categorized as sandy soil. The EFB application is conducted by stacking the EFB.
	Block A142, A152, A162 MUTE	
Boiler ash application	Block F011, F012 MUTE	The type of soil is categorized as sandy soil. Boiler ash application is conducted on the plant circle.
	Block P23, P24 SJYE	
Subsidence and water level monitoring on the peatland area.	Mekar Utama Estate (Block H14)	The water level monitoring is conducted by using water stick. The water level is about 50 – 60 cm. Meanwhile, the subsidence is monitored by using Piezometer on the bloc. According to the result of subsidence monitoring, the subsidence is about 7 cm in average (Mekar Utama Estate - Block H14) and 5.1 cm (Seriam Jaya Estate - Block P23).
	Seriam Jaya Estate (Block P23)	

The company shows the document of peatland subsidence monitoring for period of March 2014 – April 2015. For example:

Location	Result (cm)
Mekar Utama Estate (Block H14)	7
Seriam Jaya Estate (Block P23)	5.1

Source: Data of Peatland Subsidence Monitoring

Furthermore, the company also monitor the water level on the peat land area. The peat land water level measurement is conducted by using different stick of level of range. According to the data of measurement monitoring and field visit, the water level on peat land is about 50 – 60 cm.

Status: Comply

7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.

There was a new planting post November 2005 in PT GKG and PT GKS area. PT GKG and PT GKS has had the document of social and environmental impact assessment as written on the document of EIA, SIA and HCV. According to the result of overlay between the company operational area and the map of land layer on 2005/2006, there is no primary forest.

PT GKG and PT GKS has had the document of the HCV identification and analysis. It was identified and composed by the Faculty of Forestry – Bogor Agricultural University on 2012. According to the result of the identification, there are several facts. For example:

- According to the Forest Area Structure and Spatial and Territory Planning of West Kalimantan and Spatial and Territory Planning of Ketapang District, the permit of the area of PT GKG and PT GKS is categorized as specific purpose area (APL).
- There is no conservation area applied by law or government regulation within the company operational area.

There is also a record in form of Internal Office Memo No. 001/GKS-Sustainability-RH_IVA/IX/2014 in term of the HCV area of PT GKS.

PT GKG dan PT GKS telah melaporkan hasil Analisis Penggunaan Lahan (*Land Use Change*). Telah ditunjukkan bukti rekaman berupa balasan email dari RSPO Panel Compensation (Soo Chin Oi) pada tanggal 10 Maret 2015 kepada pihak representative management BGA Group (Lim Sian Choo). Berdasarkan hasil wawancara dengan Head of Sustainability BGA Group dari Head Office (Mr. Bremen Yong) bahwa pihak BGA telah mengirimkan hasil Land Use Change Analyses PT GKG dan GKS kepada RSPO Panel Compensation beberapa waktu yang lalu.

The management unit (PT GKG & PT GKS) has been reported the Land Use Change Analysis. The evidence of record in form of the email from RSPO Panel Compensation (Soo Chin Oi) on March 10th 2015 is able to be shown to the representative of BGA Group (Lim Sian Choo) management. According to the result of interview with the Head of Sustainability BGA Group of the Head Office (Mr. Bremen Yong), BGA has sent the result of the Land Use Change Analyses of PT GKG and GKS to RSPO Panel Compensation.

Status: Comply

7.4

Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.

The company (PT GKG and PT GKS) is able to show the map of marginal soil in scale 1:10,000. The map is the reference used by the company to decide the strategy to manage the area.

The management strategy to plant on the slopy area (based on climate and soil condition) is based on the SOP of high-erosion potential area management (Document No. BGA-SOP-CCS-113 year 2012).

Status: Comply

7.5

No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

The evidence of the record of socialization of the estate establishment in Mekar Utama Village, Kendawangan Sub-District on July 28th 2007 and in Membuluh 2 Hamlet, Seriam Jaya Village, Kendawangan Sub-District on July 30th 2007 are available. The legal standing of the socialization is the assignment paper of Ketapang Regent No. 090/2622/Disbun-D dated July 27th 2007 in term of the socialization of the scheme smallholder estate establishment of PT GKG and PT GKS. The socialization was attended by estate development guidance team, Ketapang Congressmen, Board of Dayak Customary of Ketapang District, Kendawangan Sub-District Apparatus, Chief of Village and community figures. It was attended by 80 participants. The attendance list is available.

There are 14 conclusions on the meeting signed by the Head of Business Guidance and Development Division of Ketapang District, the Head of Kendawangan Sub-District, the Head of Ketapang District Plantation Agency and the company representatives (PT GKS). It concludes:

- The establishment of the scheme smallholders is conducted by the investor/cooperative unit. Each smallholder get 2 ha of land. The comparasion between the company and smallholder estate is 80% for company and 20% for smallholder.
- The estate establishment shall be conducted once the company get the procuration from the cooperative unit on behalf of smallholder.
- In order to avoid the mistake of land clearing, the company and the associated agency manage the boundary of the location permit.

- The crops and land compensation is considered legal if the compensation process is known by the Head of Sub-District and is communicated to the smallholder based on the Ketapang Regent Regulation No. 6 Year 2006 in term of crops and land compensation in Ketapang District.
- The socialization is the early description socialized by the company and is facilitated by the estate development guidance team. The company shall then socialize it to the future smallholder accompanied with the Kendawangan Sub-District Apparatus.
- The community on Seriam Jaya Village is able to accept the investor to establish the scheme smallholder.

Status: Comply

7.6

Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.

The PT GKG and PT GKS management unit has documented the process of land acquisition or the crops compensation in form of the document of crops and land compensation in Bahasa Indonesia version. It is maintained in each management unit. There is a procedure of land and crops compensation No. SOP-PAD-001 which describes the stage on the process of land and crops compensation. For example, collecting the data of the future compensated land, socialization to the land owner, negotiation of crops and land agreement, management approval, payment, land handover and documentation.

According to the document verification of the report of HCV identification and analysis of PT Gunajaya Ketapang Sentosa and PT Gunajaya Ketapang Gemilang estate area (it was identified by Faculty of Forestry of Bogor Agricultural Institute on April – June 2011), there is no customary land. According to the result of stakeholder consultation with the associated agency of Ketapang District and consultation with the locals (FGD), there is no customary land within PT GKG and PT GKS operational area.

There are also evidence of the compensation process (crops compensation) of land acquisition. For example:

PT GKG

The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was **9,453.76 Ha** to **793** families.

The example of the record of land right acquisition of PT Gunajaya Karya Gemilang in Mekar Utama Village at block L-15, L-16 for 16.42 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 22nd 2013, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation.

PT GKS

The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was **8,605.59 Ha** to 172 families.

The example of the record of land right acquisition of PT Gunajaya Ketapang Sentosa in Kendawangan Village at **Natai Cangkam Babi** for 24 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 15th 2012, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation.

Status: Comply

7.7

Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.

The PT GKG and PT GKS management unit has documented the process of land acquisition or the crops compensation in form of the document of crops and land compensation in Bahasa Indonesia version. It is maintained in each management unit. There is a procedure of land and crops compensation No. SOP-PAD-001 which describes the stage on the process of land and crops compensation. For example, collecting the data of the future compensated land, socialization to the land owner, negotiation of crops and land agreement, management approval, payment, land handover and documentation.

According to the document verification of the report of HCV identification and analysis of PT Gunajaya Ketapang Sentosa and PT

Gunajaya Ketapang Gemilang estate area (it was identified by Faculty of Forestry of Bogor Agricultural Institute on April – June 2011), there is no customary land. According to the result of stakeholder consultation with the associated agency of Ketapang District and consultation with the locals (FGD), there is no customary land within PT GKG and PT GKS operational area. There are also evidence of the compensation process (crops compensation) of land acquisition. For example:

PT GKG

The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was **9,453.76 Ha** to **793** families.

The example of the record of land right acquisition of PT Gunajaya Karya Gemilang in Mekar Utama Village at block L-15, L-16 for 16.42 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 22nd 2013, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation.

PT GKS

The record over the land right in form of the document of recapitulation of crops and land compensation – region VI. The total of the compensated land was **8,605.59 Ha** to 172 families.

The example of the record of land right acquisition of PT Gunajaya Ketapang Sentosa in Kendawangan Village at **Natai Cangkam Babi** for 24 Ha. The supporting documents are in form of the official record of the crops and land compensation No. Satgas-GKG/Oktobre 2013, the declaration paper, receipt of payment on October 15th 2012, land handover paper, paper of land ownership waiver, map of the agreed location by both parties and the declaration paper of the land cultivation.

Status: Comply

7.8 New plantation developments are designed to minimise net greenhouse gas emissions.

The company shows the SOP of GHG emission suspicion and inventory (Document No. BGA-SOP-CCS-1107 year 2012). The SOP describes the flow chart of the actions to suspect GHG emission and to implement the program GHG emission mitigation in the company operational unit by considering the company policy, capability of technology and finance support.

The company (PT GKG and GKS) shows the document of report of environmental management and monitoring plan implementation in 2nd semester of 2014. The report is reported and received by Ketapang District Environment Agency on March 4th 2015. The report is referring the format of the environmental management and monitoring plan reporting based on the decree of Environment Ministry No. 45 year 2005. The description on the report is based on the document of environmental management and monitoring plan. The monitored and managed aspects are the social restlessness, reduction of air quality and increase of noise, reduction of river water quality, increase of soil erosion, land fire potential, flora and fauna biodiversity, job and business opportunity, increase of community income and health.

Status: Comply

PRINCIPLE #8 Commitment to continuous improvement in key areas of activity

8.1 Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

The company has conducted sustainable corrective action in several aspects. For example:

- **Pesticide Reduction**

The company has issued the Internal Agriculture & Technical Circular No. 016/IOM/RSC/II/2015 dated May 9th 2015 from the Head of Palm Research to all Area Controller, The policy of the adjustment of herbicide usage on 2015 by the Head of Oil Palm Research BGA Group are:

1. The herbicide class 1A and 1B (*paraquat*) shall never be used to control the weed again.
2. The estate in which the paraquate herbicide is still available is allowed to use it till it's gone. Then, the estate shall not be allowed to use or order the herbicide again.

3. The metil metsulfuron should not be used to exterminate the *Nephrolepis bisserata*. The company should use *trichlopir herbicid*

• **Environment Impact**

The management unit has have document plan for manage & monitoring environment (RKL/RPL) and was periodically reported or submit to related agency.

• **Waste Reduction**

- Analyzing the effluent utilization. Kendawangan POM flows the effluent to block J03.
- Applying solid waste like EFB and boiler ash to the land.
- Using solid waste (fibre and shell) as boilet fuel. Providing permitted place to store hazardous waste.
- Cooperated with the hazardous waste collector

• **GHG Pollution and Emission**

The action plans conducted by the company to reduce the GHG emission are:

1. Identifying the programs which generate GHG.
2. Composing the action plan (management plan) to rehabilitate riparian area and reforest the nearby area of mill and estate.
3. Testing the emission and ambient air quality to ensure the performance of mill machine routinely (each semester). The result of the test is considered as the reference for deciding the action plan.
4. Servicing the mill machines routinely to ensure the optimum machine performance.
5. Conducting petroleum fuel efficiency on the vehicle fuel, mill machine fuel and use the chemicals at estate efficiently.

• **Social Impact**

PT GKG and PT GKS management unit has had the document of SIA on 2012. It was assessed by Faculty of Forestry of Bogor Agricultural University. The document is constituted by the report which describes the impact of the mill and estate operationals over the locals. The assessment is conducted participatively with the locals (data collecting process). The attendance list and photographs of the program are available. Several results of the Social Impact Assessment has been followed up in form of the Action Plan or the implementation of the program based on the input from the locals.

	Status: Comply	
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3.2 Summary of Assessment Report of Supply Chain Requirements

Clause	(Module E) CPO Mills - Mass Balance Requirements
E.1	Definition
E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	
<p>PT GKG has had the procedure to identify and trace the product (BGA-SOP-GKG-0415-29-RO) to identify and trace the certified and non-certified product. According to the point a and b of part 7.1.1, the raw materials and product identification from the RSPO certified estate is marked with RSPO logo on its FFB covering paper from the nucleus estate. The calculation of the daily production and dispatch record is based on the data of weighbridge on the weighbridge ticket.</p> <p>According to the result of document verification (FFB covering paper), Kendawangan Mill has separated the FFB from the nucleus estate and other estate administratively since the FFB enter the weighbridge. The separation is conducted by giving <i>barcode</i> on the FFB from the nucleus estate only (FFB from other estate is not given with barcode). According to the system, the computerized system shall separate the data of the FFB from the nucleus estate and other estate. SPB.</p>	
<p>Status: Comply</p>	
E.2	Explanation
E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.	
<p>Kendawangan Mill does not achieve RSPO certificate yet. There are monthly reports which informs the incoming FFB, the produced CPO and PK.</p>	
<p>Status: Comply</p>	
E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	
<p>Kendawangan Mill does not achieve RSPO certificate yet. The procedure of product identification and traceability (BGA-SOP-GKG-0415-29-RO) has been shown. However, the procedure of management that has to do with RSPO IT platform or book and claim is not explicitly described.</p> <p>NC No. 2015.4 Auditor Observation: May 15th 2015</p> <p>The management unit has sent the evidence of corrective action in form of the document of formulir of changes of document of SOP of product identification and traceability and SOP of book and claim and RSPO logo usage. The communication and claim as well as the transaction of the RSPO Certified CPO with RSPO eTrace system is also described on point 7.4 of the SOP of product identification and traceability.</p> <p>Auditor Conclusion: Hence, NC No. 2015.4 SCCS E.2.2 is Closed.</p>	
<p>Status: Non Compliance Record SCCS No. 2015.4</p>	
<p>Closed</p>	

E.3	Documented procedures
<p>E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>	
<p>a. PT Gunajaya Karya Gemilang has the procedure to identify and trace the product (BGA-SOP-GKG-0415-29-RO). It describes:</p> <ul style="list-style-type: none"> • Scope of the raw material (TBS) receipt, production process, bulking station and product dispatch process to the vendee within the operational unit of Bumitama Agro Group. • All the activities on the document and data control in order to implement the SOP of product identification and traceability. • Record retention period • Term and regulation of the transportation vehicle • Product and raw material identification • Product traceability <p>b. The description of the tasks and responsibilities of the procedure implementation is described. For example:</p> <ul style="list-style-type: none"> ➤ Comercial & Logistic Group Department Head: <ul style="list-style-type: none"> • Ensuring that the MB supply chain model on the Cpo and Kernel production is described on the invoice and sales contract. • CPO and Palm Kernel product transport from POM to the container ship is referring the SOP of dwelling. ➤ Certification & Compliance Department Head: <ul style="list-style-type: none"> • Ensuring that the product identification and traceability is socialized and implemented in all operational unit of Bumitama Gunajaya Agro Group • Composing the procedure of RSPO logo usage and socialize it to all the associated parties. ➤ Mill Manager: <ul style="list-style-type: none"> • Keeping and maintaining all documents and records of the use of raw material, supporting materials on the production process and final product quality. • Verification on the dispatched product status by referring the invoice, delivery order, sales contract and signing the official record of the product dispatch to the vendee. • Holding the proper training of supply chain certification to all involved staff from the stage of raw material receipt, production process, product storing and dispatch to the vendee. • Identifying the raw material status (FFB) and product processing (RSPO-Certified and non RSPO-Certified). ➤ OQC Department: <ul style="list-style-type: none"> • Controlling the FFB quality (grading) in POM and composing the daily recapitulation of the FFB quality control result. • Analyzing and testing the raw material and product in all POM production process stage. • Keeping, maintaining and distributing the result of raw material and product test and analysis result to the associated parties. • Monitoring the palm product dwelling and dispatch and witnessing the compilation of the CPO and PK dispatch official record. 	
<p>Status:</p>	

E.3.2**The site shall have documented procedures for receiving and processing certified and non-certified FFBs.**

PT GKG has had the procedure to identify and trace the product (BGA-SOP-GKG-0415-29-RO) to identify and trace the certified and non-certified product. According to the point a and b of part 7.1.1, the raw materials and product identification from the RSPO certified estate is marked with RSPO logo on its FFB covering paper from the nucleus estate. The calculation of the daily production and dispatch record is based on the data of weighbridge on the weighbridge ticket

There are examples of the FFB covering paper. For example:

Mekar Utama Estate (MUTE)

FFB covering paper (with barcode) dated May 4th 2015. It informs:

- Origin: Division II
- Dump Truck: 01
- Driver: Tarmin
- Vehicle Police Number: KB 9867 GB
- Block Number: F 9 & F 10
- Year of Planting: 2009
- Amount of FFB: 117 & 402
- Total of amount of FFB: 519
- FFB weight estimation (average): 9.14 & 8.01
- Tonnage estimation: 1,070 & 3,220 (Total 4,290)

Weightbridge ticket dated May 4th 2015. It informs:

- Ticket Number: A145246
- Date of Printing: May 4th 2014
- Vehicle Police Number:
- Amount of FFB : 519
- Driver: Tarmin
- Year of Planting: 2009
- 1st weighing : 7,760 Kg)
- 2nd weighing: 3,970 Kg)
- Netto: 3,790 kg
- FFB covering paper: 03571B0215
- Division: II
- Loosen fruit : 0 Kg

Seriam Jaya Estate (SJYE)

FFB covering paper (with barcode) dated May 4th 2015. It informs::

- Origin: Division II
- Dump Truck : 01
- Driver : lwansyah
- Vehicle Police Number: H 1958 AZ
- Block Number: 014, 015, 016
- Year of Planting: 2009
- Amount of FFB: 415, 716, 532
- Total Jumlah Janjang: 1,663
- FFB weight estimation (average): 5,2 ; 5.2 ; 5.2
- Tonnage estimation: 2,258 ; 3,923 ; 2,866 (Total 9,052)

Weightbridge ticket dated May 4th 2015. It informs:

- Ticket Number: A145251
- Date of Printing: May 4th 2014
- Vehicle Police Number: H. 1958 AZ
- Amount of FFB: 1,663
- Driver: Iwansyah
- Year of Planting: 2009
- 1st weighing : 5,778 Kg)
- 2nd weighing: 4,180 Kg)
- Netto: 9,590 kg
- FFB covering paper: 05051C0215-SJYE
- Division: II
- Loosen fruit : 400 Kg

External (Setia Hati Cooperative Unit)

FFB covering paper (with barcode) dated May 4th 2015. It informs:

- Origin: Kelompok Tani jaya
- Dump Truck: 01
- Driver: Dikin
- Vehicle Police Number: AD 1780 BB
- Block Number: 95
- Year of Planting : 1995
- Ammount of FFB: 450
- Ammount of loosen fruit : 400
- Date of harvesting : 02-05-2015
- Date of dispatch: 03-05-2015

Weightbridge ticket dated May 4th 2015. It informs:

- Ticket Number: B 04328
- Date of printing: May 3rd 2014
- Vehicle police number: AD 1780 BB
- Amount of FFB: 1,663
- Driver : Dikin
- Year of Planting: 1995
- 1st weighing : 12,460 Kg)
- 2nd weighing: 4,180Kg)
- Netto: 8,280 kg
- FFB covering paper: 003/KSH-SH/05/2915

Status: Comply

E.4 Purchasing and goods in

E.4.1

The site shall verify and document the volumes of certified and non-certified FFBs received.

PT GKG has had the procedure to identify and trace the product (BGA-SOP-GKG-0415-29-RO) to identify and trace the certified and non-certified product. According to the point a and b of part 7.1.1, the raw materials and product identification from the RSPO certified estate is marked with RSPO logo on its FFB covering paper from the nucleus estate. The calculation

of the daily production and dispatch record is based on the data of weighbridge on the weighbridge ticket. The evidence of the record have been shown. For example:

- FFB covering paper from the nucleus estate (with barcode) and weighbridge ticket from Mekar Utama Estate and Seriam Jaya Estate (nucleus estate) dated May 4th 2015.
- FFB covering paper (no barcode) and weighbridge ticket from other suppliers (non-nucleus estate) dated May 4th 2015.

Each document informs:

- Source of FFB:
- Dump Truck Line Number:
- Driver:
- Vehicle Police Number:
- Block Number :
- Year of Planting :
- Quantity of FFB:
- Total of FFB Quantity:
- Estimation of nett (average):
- Estimation of tonnage:

Status: Comply

E.4.2

The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.

Kendawangan Mill of PT GKG is not able to show the evidence of the written commitment that the overproduction shall be informed to the CB. **NC Potential see NCR 2014.21**

May 5th 2015

The document of product identification and traceability (BGA-SOP-GKG-0415-29-RO) has been shown. According to the sub-part of 7.3, the Certification Compliance Dept. Head shall inform the RSPO CB for the overproduction. Hence, **NC 2014.21 is Closed.**

Status: Comply

E.5

Record keeping

E.5.1

- The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.**
- All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.**
- The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)**

Kendawangan POM does not achive the RSPO certificate yet. Therefore, there is no transaction of the certified product so far.

Kendawangan POM does only receive the FFB supply from 5 estates but also from other suppliers. For example:

- Bakti Bersama Cooperative Unit
- Kudangan Manis Cooperative Unit
- Gunung Tunggul Cooperative Unit
- RGP Cooperative Unit
- MKJ Cooperative Unit

<ul style="list-style-type: none"> SKS Cooperative Unit 	
	Status: Comply
E.5.2 In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	
Kendawangan POM does not cooperate with the external party to process the Kernel.	
	Status: Not Applicable

3.3 Conformity Checklist of Certificate and Logo Use

1.	Evidence of permission or approval certificate and logo from Certification Body which submitted by Client	X or√
ST-2	It shall be verified on Surveillance-1 program	X
	Status: Not Applicable	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ST-2	It shall be verified on Surveillance-1 program	X
	Status: Not Applicable	
3.	Implementation of Certificate and Logo is not used on product	X or√
ST-2	It shall be verified on Surveillance-1 program	X
	Status: Not Applicable	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ST-2	It shall be verified on Surveillance-1 program	X
	Status: Not Applicable	

3.4 Summary of RSPO Partial Certification

The observed management units:		
<ol style="list-style-type: none"> 1. PT Bumitama Gunajaya Abadi 2. PT Karya Makmur Langgeng 		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or√
	<p>PT Bumitama Gunajaya Abadi</p> <p>The management unit has shown the evidence of the compliance over the law that have to do with estate management. For example:</p> <ul style="list-style-type: none"> • The company has location permit from the West Kotawaringin Regent for ± 26,900 Ha. • The company has plantation business permit from the West Kotawaringin Regent for 18,000 Ha of palm oil estate and mill with production capacity for 90 Ton of FFB/Hour. • The company has Land Use Title (HGU) for 5,632.835 Ha area. • The company has permit of hazardous waste storage from West Kotawaringin Regent. <p>PT Karya Makmur Langgeng</p> <p>The management unit has shown the evidence of the compliance over the law that have to do with estate management. For example:</p> <ul style="list-style-type: none"> • The company has location permit from the Ketapang Regent for ± 19,000 Ha area on 2006. • The company has the extension of the location permit from the Ketapang Regent for ± 19,000 Ha area on 2010. • The company has plantation business permit from the Ketapang Regent for 16,700 Ha of palm oil estate and mill with production capacity for 60 Ton of FFB/Hour on 2013. <p>The company has environment permit from West Kalimantan Governor on 2013.</p>	√
	Status: Comply	
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.	X or√
	<p>PT Bumitama Gunajaya Abadi</p> <p>PT Bumitama Gunajaya Abadi has shown the evidence of the land right acquisition. The document describes the declaration letter of land right handover; land and crops compensation agreement paper; abstract of title from the lowest government Officials; payment receipt and land right handover map. The example of the records are as follow:</p> <ul style="list-style-type: none"> ➤ Areal seluas 20 Ha di Blok M-39 Tonam Raya Estate: <ul style="list-style-type: none"> - Declaration paper of land right handover. It was signed by the company the compensated parties on June 26th 2013. It was recognized by the Headman of Kotawaringin Hulu. - The payment receipt on June 26th 2013 was given to the land owner. It was also recognized by the Headman of Kotawaringin Hulu and was witnessed by the Staff of GIS of Company, TRYE Estate Manager, Coordinator of Public Affair Department and the Head of Administration of company. It was supported by the payment receipt. - The agreement paper of the land and crops compensation signed by both parties. It describes that the land owner handover the land to be managed by the company as the nucleus estate and scheme smallholder estate. - Information paper No.593/131/Pem from the Headman of Kotawaringin Hulu dated June 21st 2013 which informs the land ownership and hectarage. - Map of land handover with the participative map which was measured by the company and was approved by the land owner and was witnessed by the Headman of Kotawaringin 	√

	<p>Hulu</p> <ul style="list-style-type: none"> - Declaration paper on behalf of the owner (Gusti Baret) on June 25th 2013. It describes that the payment has been paid by the company and the family shall not sue or charge the company for the compensated land in the future. <p>➤ Area for 5.43 Ha in Block R-46 of Kotawaringin Estate:</p> <ul style="list-style-type: none"> - Agreement paper No. 008/RGN-KTWE/06/2012 dated June 27th 2012 by both parties which was recognized by the Head of Kotawaringin Lama Sub-District and was witnessed by the Chief of Rungun Village. - Declaration paper of land handover which was signed by the company and the compensated parties on June 27th 2013. It was also witnessed by the Chief of Rungun Village. - Payment receipt on June 27th 2012. It was given by the company to the land owner and was recognized by the Chief of Rungun Village and was witnessed by the Staff of GIS of company, KTWE Estate Manager, Coordinator of Public Affair Department and the Head of Administration of company. It was also supported by the payment receipt. - The agreement paper of the land and crops compensation signed by both parties. It describes that the land owner handover the land to be managed by the company as the nucleus estate and scheme smallholder estate (50:50). <p>PT Karya Makmur Langgeng</p> <p>The management unit has shown the evidence of the record of land acquisition. There are evidence of the land compensation process for the PT KML operational area since April 19th 2013 to September 19th 2013. There are 154 spots within 2,522.85 ha. All the documentations of all land acquisition are available. For example:</p> <ul style="list-style-type: none"> • Data of land compensation/acquisition. • Identity. • Official record of cadastral measurement. • Map of the measured location (compensated). • Official record of the price agreement. • Declaration paper of land right handover. • Paper of land acquisition and right ownership admission. • The supporting letter over the right of the land. • Information paper of the land origins. • Brief history of land acquisition. • Declaration paper of the legacy heir's approval. <p>Information paper of the heir.</p>	
	<p>Status: Comply</p>	
<p>6.3</p>	<p>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.</p>	<p>X or√</p>
	<p>PT Bumitama Gunajaya Abadi dan PT Karya Makmur Langgeng</p> <p>The company has had procedure of land dispute resolution. It is written on the SOP of land dispute management. The scope of the document is to set the procedure to solve the occurred land conflict or the high potential conflict area within and nearby Land Use Title (HGU) area. The SOP is considered as the reference to deal with the land conflict based on the agreement with the land owner or the parties with interest.</p>	<p>√</p>
	<p>Status: Comply</p>	

6.4	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.	X or√
	<p>PT Bumitama Gunajaya Abadi dan PT Karya Makmur Langgeng The management unit has the procedure of land and crops compensation. The SOP describes the stages on the land and crops compensation such as the future-compensated land inventory, socialization to the land owner (community), negotiation of land and crops agreement, management approval, payment process, land handover and documentation. According to the document review, all the compensation process have been documented and the company does not force the locals to give their land up.</p>	√
	Status: Comply	
7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	X or√
	<p>PT Bumitama Gunajaya Abadi PT Bumitama Gunajaya Abadi has identified the HCV on 2012. According to the image of landsat on 2003, the land layer within the area of PT Bumitama Gunajaya Abadi is consisted of bushes (1,187.74 ha), smooth bushes (1,706.73 ha), secondary forest (66.83 ha), tertiary fores (1,886.95 ha), mixed land (252.51 ha) and enclave (552.24 ha).</p> <p>PT Karya Makmur Langgeng PT Karya Makmur Langgeng has identified the HCV before the land clearing. It was identified on 2012. The land clearing was conducted post NPP program on 2013.</p>	√
	Status: Comply	
7.5	No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	X or√
	<p>PT Bumitama Gunajaya Abadi The management unit has the SOP of land and crops compensation No. SOP-BGB-GRTT-PAD-001 dated October 12th 2012. It was approved by the Area Controller 5. The SOP describes the stages on the land and crops compensation such as the future-compensated land inventory, socialization to the land owner (community), negotiation of land and crops agreement, management approval, payment process, land handover and documentation. According to the document review, all the compensation process have been documented and the company does not force the locals to give their land up. There is a declaration paper of land handover. For example, the declaration paper of land handover in Tonam Raya Estate, Block M-39 for 20 Ha. It was signed by the company and the compensated parties on June 26th 2013. It was witnessed by the Headman of Kotawaringin Hulu.</p> <p>PT Karya Makmur Langgeng The management unit has held socialization of the estate establishment to get the permit of the community. The minutes of meeting of the socialization in Simpang Dua and Simpang Hulu Sub-District, Ketapang Regent is available. For example:</p> <p>a. The socialization in church of Pantan Hamlet, Kampar Sebomban Village, Simpang Dua Sub-District on March 5th 2012. It was attended by the Estate Development Team Guidance of Ketapang District, Forum of the Head of Sub-District of Simpang Dua, the Head of Dayak Board Custom of Simpang Dua, the Chief of Village and the Village Monitoring Bodies of Kampar Sebomban, the Head of Pantan Hamlet, the Head of Mentawa Hamlet, the Chief of</p>	√

	<p>Semandang Kanan Village, the Head of Sekucing Baru Hamlet, the Head of Sei Tontang Hamlet, the Head of Selantak Hamlet.</p> <p>b. The socialization in Elementary School Building of Kek Lipur Hamlet, Paoh Concong Village, Simpang Hulu Sub-District on March 6th 2012. It was attended by Estate Development Team Guidance of Ketapang District, Forum of Sub-District of Simpang Hulu, the Head of Paoh Concong Village, the Head of Kek Lipur Hamlet, the Head Baram Hamlet and the representatives of the locals.</p> <p>The management unit has shown the evidence of the record of land acquisition. There are evidence of the land compensation process for the PT KML operational area since April 19th 2013 to September 19th 2013. There are 154 spots within 2,522.85 ha area.</p>	
	Status: Comply	
7.6	Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.	X or√
	<p>PT Bumitama Gunajaya Abadi</p> <p>The management unit has the SOP of land and crops compensation No. SOP-BGB-GRTT-PAD-001 dated October 12th 2012. It was approved by the Area Controller 5. The SOP describes the stages on the land and crops compensation such as the future-compensated land inventory, socialization to the land owner (community), negotiation of land and crops agreement, management approval, payment process, land handover and documentation. According to the document review, all the compensation process have been documented and the company does not force the locals to give their land up. There is a declaration paper of land handover. For example, the declaration paper of land handover in Tonam Raya Estate, Block M-39 for 20 Ha. It was signed by the company and the compensated parties on June 26th 2013. It was recognized by the Headman of Kotawaringin Hulu and was witnessed by the Staff of GIS of company, TRYE Estate Manager, Coordinator of Public Affair Department and the Head of Administration. It is supported by the payment receipt.</p> <p>PT Karya Makmur Langgeng</p> <p>The management unit has shown the evidence of the record of land acquisition. There are evidence of the land compensation process for the PT KML operational area since April 19th 2013 to September 19th 2013. There are 154 spots within 2,522.85 ha area. All th documentations of all land acquisition are available. For example:</p> <ul style="list-style-type: none"> • Data of land compesnation/acquisition. • Identity. • Official record of cadastral measurement. • Map of the measured location (compensated). • Official record of the price agreement. • Declaration paper of land right handover. • Paper of land acquisition and right ownership admission. • The supporting letter over the right of the land. • Information paper of the land origins. • Brief history of land acquisition. • Declaration paper of the legacy heir's approval. <p>Information paper of the heir.</p>	√
	Status: Comply	

3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

3.5.1 Identification of Findings, Corrective Actions and Observations at *ST-2* Assessment

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2015.1	2.2.1	<p>The managed area beyond the Land Use Title (HGU). There are areas managed by GKG and beyond the legal boundary area such as:</p> <p>PT GUNAJAYA KARYA GEMILANG.</p> <ul style="list-style-type: none"> - The area bordering with the bauxite port of PT Harita (nearby pole No. GKG-60). The hectarage is unknown. - The area nearby Land Use Title (HGU) pole No. GKG-018 bordering with the swamp/reservoir of bauxite washing station of PT Harita (Rawa 800) and according to the information, the area is the nucleus estate managed by the company. The hectarage is unknown. - The area nearby Land Use Title (HGU) No. GKG-034. 	PT GKS	Major	Before the Final Report	PT GKG management unit must be able to show the evidence of the legal right ownership over the managed area.	<p>Root Cause: The lack of the operation team awareness over the legal boundary.</p> <p>Corrective Action: The legal status for the FFB managed beyond the Land Use Title area should be determined.</p> <p>Preventive Action: The crops beyond the Land Use Title (HGU) has the legal status and its management.</p> <p>Auditor Observation: May 6th 2015 PT GKG The evidence of the record of resolution progress for the area beyond the Land Use Title (HGU) area are as follow:</p> <ul style="list-style-type: none"> • The total of hectarage of the area beyond the Land Use 	Closed With Observation	May 28th 2015

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		<p>According to the information, the block I-277 (within Land Use Title area) and H-277 (beyond the Land Use Title area) of Kendawangan Estate have been planted with palm oil plants. The hectarage is unknown.</p> <p>PT GUNAJAYA KETAPANG SENTOSA.</p> <ul style="list-style-type: none"> - The area of block R-3 of division 4 of Seriam Jaya Estate is located beyond the Land Use Title area. 					<p>Title (HGU) is 363 Ha and the area is managed by implementing scheme smallholde program.</p> <ul style="list-style-type: none"> • The land beyond the Land Use Title (HGU) area is no longer belong to PT GKG it is now managed by the cooperative unit which manage each smallholder group. • The collective agreement paper between the Head of smallholder group named "Sawit Bersama" and PT GKG. • The example of the abstract of title certificate for the managed are to scheme smallholder area. -(Closed) <p>PT GKS</p> <p>According to the information from the coordinator of the Public Affair Department of PT GKG/PT GKS, the area beyond the Land Use Title (HGU) is the block Q3 for 9,73 Ha. There is no evidence of the record related to</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>the follow up of the planted area beyond the Land Use Title (HGU) area. (year of planting on 2008).-Open.</p> <p>May 28th 2015 PT GKS</p> <p>The evidence of the record of the resolution for the area beyond the legal boundary has been shown. For example:</p> <ul style="list-style-type: none"> • The collective agreement paper of the estate management (Nomor: 001/SKK SM-GKS/IV/2015, dated April 25th 2015) between the Head of Smallholder Group named "Sawit Makmur" and PT GKS. • Official record of the smallholder group forming named "Sawit Makmur", dated April 25th 2015. <p>Auditor Conclusion: Hence, the NC is now Closed with Observation. It shall be verified further in line</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							with the total managed area (Area Statement).		
2015.2	2.2.2	<p>Legal boundary pole maintenance.</p> <p>There are 284 spots of the Land Use Title (HGU) poles within PT GKG area and there are 123 spots of the Land Use Title (HGU) poles within PT GKS based on the document of the map of Land Use Title (HGU) poles. However, the management unit is not able to show that all boundary poles have been clearly maintained and demarcated.</p>	PT GKS & PT GKG	Minor	Surveillance-1	The management unit must be able to show the boundary poles of the clearly demarcated area.	<p>Root Cause: The company does not have the legal boundary approved by National Land Agency.</p> <p>Corrective Action: Processing the legal boundary status to National Land Agency. Installing Land Use Title (HGU) poles. Maintaining Land Use Title (HGU) poles.</p> <p>Preventive Action: Correcting and monitoring the legal boundary area pole.</p> <p>Auditor Observation: May 6th 2015 PT GKG The company has shown the result of the boundary pole monitoring. However, there are several poles which are not yet installed. For example:</p>	Open	

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> • Mekar Utama Estate (there are 37 installed poles of 145 poles. There are 108 poles which are not installed yet). • Kendawangan Estate (there are 52 installed poles of 138 poles. There are 86 poles left to be installed) <p>PT GKS</p> <p>The company has shown the result of the boundary pole monitoring. However, there are several poles which are not yet installed. For example:</p> <ul style="list-style-type: none"> • Seriam Jaya Estate (All the 35 poles have been installed) • Banjar Sari Estate (there are 48 installed poles of 57 poles. There are 9 poles left to install) • Membuluh Sejahtera Estate (there are 30 installed poles of 31 poles. There is 1 pole left to install) <p>Auditor Conclusion: Hence, the NC is still not closed.</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2015.3	<p>Minor 2.2.2</p> <p>Major 2.2.4</p> <p>Minor 2.2.5</p> <p>Major 2.2.6</p> <p>(Generic 2013)</p>	<p>Procedure of conflict resolution (accepted by all parties)</p> <p>PT GKG and PT GKS management unit are not able to show the procedure of land conflict resolution based on the result of identification, calculation and resolution over the land conflict occurred within Land Use Title (HGU) area. For example:</p> <p>PT. GKG.</p> <ol style="list-style-type: none"> Silingian Hamlet within the area of Mekar Utama Estate bordering with Division VI, block Z-01 and Y-01. The hectareage of the disputed land is unknown. The occupier on behalf of Ujang Aceh/Ujang Kembar AC which is located in block K3 of Division 5 of Kedawangan Estate. The hectareage of the disputed are is unknown. The ex rice field area within Kedawangan Estate 	PT GKG	Major	Before the Final Report	The management unit must be able to show the resolution over the disputed area.	<p>Root Cause: It is not totally identified.</p> <p>Corrective Action: Composing the procedure of land conflict resolution which is agreed by the company and stakeholders.</p> <p>Preventive Action: Identifying and monitoring the conflict potential routinely.</p> <p>Auditor Observation: May 6th 2015 There is no evidence of the progress of the occupied land conflict resolution shown in block K-03 of division 5 of Kendawangan Estate. Hence, the NC is still not closed .</p> <p>PT GKS The evidence of the resolution progress has been show in form of the MoU between PT GKS and Inyau Suparto-The Head of Membuluh II Hamlet No.</p>	Closed With Observation	June 8th 2015

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		<p>(Division 3) bordering with block I-034 at north and block I-035 at east.</p> <p>4. Cempedak Hamlet within the area of Kendawangan Estate, Division 3 bordering with block L-253, L-254, L-255 of Division 2 of Kendawangan Estate. The hectarage of the disputed are is unknown.</p> <p>PT. GKS The area which is being opened by the locals bordering with block T-028 of Division II of Membuluh Sejahtera Estate. The hectarage of the disputed are is unknown.</p>					<p>008/GKG/IV/2015, dated April 6th 2015 (land hectarage for 33 Ha) - Closed</p> <p>June 8th 2015 <u>PT GKG</u> The evidence of the progress of the land dispute in Kendawangan Estate, Division 5, block K-03 has been shown. The evidence is the MoU No. 010/GKG/V /2015 dated May 29th 2015 between the PT GKG management unit and 29 Mei 2015 antara wakil Ujang AC (Bangunsari Hamlet). It was recognized by the Area Controller 6 and the Head of Bangunsari Hamlet. The photograph of the MoU signing is available.</p> <p>Auditor Conclusion: Hence, the NC is Closed with Observation. It shall be verified further in line with the total managed area (Area Statement).</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
2015.4	Minor 4.6.4	The use of pesticide of class 1A and 1B WHO and paraquat According to the document review, the company does not have the policy to reduce the use of pesticide class 1A and 1B WHO and paraquat.	PT. GKG dan PT. GKS	Minor	Surveillance-1	The company must be able to show the revision of the environment document caused by the use of effluent to soil by Kendawangan POM.	<p>Root Cause: The policy of pesticide usage reduction is not composed yet.</p> <p>Corrective Action: Composing the policy of the reduction of pesticide class 1A & 1B WHO and Paraquat.</p> <p>Preventive Action: Monitoring the use of pesticide class 1A & 1B and Paraquat.</p> <p>Auditor Observation: May 28th 2015 The company has sent the evidence of the corrective action in form of the Internal Agriculture & Technical Circular No. 016/IOM/RSC/II/2015 dated May 9th 2015 from the Head of Palm Research to all Area Controller. The document describes the recommendation of the herbicide usage for period of 2015. The policy of the adjustment of herbicide usage on 2015 by the Head of Oil</p>	Closed	May 28th 2015

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>Palm Research BGA Group are:</p> <ol style="list-style-type: none"> 1. The herbicide class 1A and 1B (parakuat) shall never be used to control the weed again. 2. The estate in which the paraquate herbicide is still available is allowed to use it till it's gone. Then, the estate shall not be allowed to use or order the herbicide again. 3. The metil metsulfuron should not be used to exterminate the Nephrolepis bisserata. The company should use trichlopir herbicide. <p>Auditor Conclusion: Hence, the NC No. 2015.1 as Minor indicator 4.6.4 is Closed.</p>		
2015.5	<p>Minor 4.7.1</p> <p>Minor 4.7.6 (Generic 2013)</p>	<p>Work Accident Insurance for the Workers</p> <p>The company does not pay the dues of monthly labour social assurance routinely based on the letter No. B/05/012014 dated January 23rd 2014 from Ketapang District Manpower BPJS in term of the dues payment. The latest dues</p>	<p>PT GKS & PT GKG</p>	Minor	Surveillance-1	<p>The company must be able to ensure that all employees are registered on the labour social assurance and the dues should be routinely paid.</p>	<p>Root Cause: The high employees Turn Over cause the obstacle for registering the employees to Manpower BPJS.</p> <p>Corrective Action: The BPJS payment has been routinely conducted (monthly).</p>	Open	

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
		payment of Manpower BPJS was paid on July 2013.					<p>Preventive Action: Ensuring that the BPJS payment shall be conducted on time and all the new employees shall be registered to the BPJS.</p> <p>Auditor Observation: May 6th 2015 According to the document review over the work accident insurance payment, there are unregistered/unpaid work accident insurance for about 22 employees of Kendawang Mill, 158 workers of Seriam Jaya Estate, 153 workers of Mekar Utama Estate. According to the result of interview with the temporary period workers, the daily temporary period workers are not insured on the work accident insurance.</p> <p>June 8th 2015 The company has sent the evidence of the corrective action. For example:</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<ul style="list-style-type: none"> Evidence of insurance payment to the BPJS on April 2015. It was paid on May 15th 2015 via Bank Mandiri. The payment was purposed to the permanent daily and monthly employees. The temporary period employees were not included. Recapitulation of the BPJS dues on April 2015. It consisted of: <ul style="list-style-type: none"> - Kendawangan Mill: 102 workers - Seriam Jaya Estate: 412 workers - Mekar Utama Estate: 265 workers <p>According to the data of employees on March 2015, the number of employees in Kendawangan Mill are 123 workers; Seriam Jaya Estate are 561 workers and Mekar Utama are 416 workers.</p> <p>According to the evidence of the corrective action. The payment</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>of work accident insurance on May 2015 was not covering all employees.</p> <p>Auditor Conclusion: NC No. 2014.08 is still not closed yet.</p>		
2015.6	Minor 5.1.2	<p>Revision of the Environment Document</p> <p>According to the result of document observation, there is no analysis over the existence of the effluent utilization to soil by Kendawangan POM. In order to reduce the negative impacts caused by the program, the impact identification is a must.</p>	PT GKG	Minor	Surveillance-1	The company must be able to show the revision of the environment document caused by the LA program conducted by Kendawangan POM.	<p>Root Cause: The document of the environmental PT. GKG does not attach the post construction which describe the POME processing.</p> <p>Corrective Action: Coordinating with the compilation team to revise the existed environmental management and monitoring document.</p> <p>Preventive Action: Managing the environment based on the existed environment document.</p> <p>Auditor Observation: June 8th 2015</p>	Closed	June 8 th 2015

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>The company has sent the evidence of corrective action in form of the information paper from the Ketapang District Environment Agency No. 660.1/353/KLH-B dated June 1st 2015 in term of the guideline of the environment document on the estate management over the POME management to PT GKG soil dated June 1st 2015. The document describes:</p> <ol style="list-style-type: none"> 1. PT GKG has had proper environment document based on the decree of West Kalimantan Governor No. 561/BLHD/2010 dated December 15th 2010. 2. According to the environment document of PT GKG, the POME is managed by having it wasted to the river. 3. PT GKG has achieved permit of effluent utilization to soil based on the decree of Ketapang Regent No. 660/2405/KLH-B dated 		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>November 28th 2013 in term of the approval of effluent analysis on the estate for 25.71 Ha.</p> <p>4. In order to anticipate the contamination over the river, the companies on Ketapang District should not dispose the waste to the river and the company should process and use it based on the decree of Ketapang Regent No. 660/0429/KLH-B dated March 18th 2015 in term of the execution of the estate operational based on the sustainable development and environmentally friendly.</p> <p>5. According to the description on point 1 to 4, the environment document of PT GKG is approved by considering the reduction of the effluent flow to the river. Hence, the company should manage and monitor the</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>environment as written on the environment document and the obligation to use the effluent to the land.</p> <p>Auditor Conclusion: Hence, the NC No. 2015.2 is Closed.</p>		
2015.7	Minor 6.2.3	<p>The List of Stakeholders According to the document review, the company is not able to show the list of the most updated stakeholders.</p>	<p>PT. GKG dan PT. GKS</p>	Minor	Surveillance-1	<p>The company must be able to show the most updated list of stakeholders.</p>	<p>Root Cause: The document of the list of stakeholders is not yet composed.</p> <p>Corrective Action: Composing the list of stakeholders that have to do with the company.</p> <p>Preventive Action: Updating the list of stakeholders routinely (each semester).</p> <p>Auditor Observation: May 28th 2015 The company has sent the evidence of corrective action in form of the document of the list of Stake Holder (Document No.</p>	Closed	<p>May 28th 2015</p>

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>GKG-Sust.-SH-01). It was legalized by the Area Controller 6 on May 25th 2015). The documents describes 15 stakeholders from Kendawangan Sub-District, 12 stakeholders from Ketapang District and 10 stakeholders from the contractors.</p> <p>Auditor Conclusion: Hence, NC No. 2015.3 is Closed.</p>		
2015.8	<p>Major 6.3.1</p> <p>All Criteria 6.3 is Major compliance (Generic 2013)</p>	<p>The transparent system which is accepted by all the impacted parties (<i>amicus curiae</i>)</p> <p>PT GKG and PT GKS management unit is not able to show the procedure of communication and consultation which is collectively composed by the locals the <i>amicus curiae</i> such as the nearby village community.</p>	<p>PT GKS & PT GKG</p>	<p>Major</p>	<p>Before the Final Report</p>	<p>PT GKG and PT GKS management unit must be able to show the transparent system to receive the complaints expressed by the <i>amicus curiae</i>.</p>	<p>Root Cause: The lack of human resource who understood the procedure of social impact monitoring.</p> <p>Corrective Action: The compilation of the procedure of external complaint and transparency is authorized to the company stakeholders.</p> <p>The procedure of the conflict resolution approved by the associated stakeholders.</p>	<p>Closed</p>	<p>June 8th 2015</p>

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>Preventive Action: Improving the programs that have to do with the stakeholders in form of the social approach to the improvement of the nearby community economy.</p> <p>Auditor Observation: May 6th 2015 PT GKG and PT GKS management unit has had the procedure to solve the external complaint (BGA-SOP-GKG-0315-27-RO). The SOP is considered as the reference to deal with the complaint expressed by the external parties.</p> <p>Several evidence in form of the official record of socialization and the document handover signing in Banjarsari Village, Kendawangan Kiri Village and Seriam Village (via the person) have been shown. However, the evidence is considered inadequate due to</p>		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>the lack of evidence that the socialization involves several parties as well as the acceptance by the impacted parties (amius curiae).</p> <p>June 8th 2015 PT GKG and PT GKS has sent several corrective actions. For example:</p> <ol style="list-style-type: none"> 1. Official record of the socialization of the SOP of external complaint resolution and SOP of communication in Mekar Utama Village. The attachment of the attendance list (government and the locas) & the program photographs are available. 2. Official record of the socialization of the SOP of external complaint resolution and SOP of communication in Seriam Jaya Village. The attendance list (government 		

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							and the locas) & the program photographs are available.. Auditor Conclusion: Hence, the NC on the indicator is Closed.		
2015.9	SCCS E.2.2	The registration and requirements of the proper supply chain reporting via RSPO IT platform or book and claim Kendawangan Mill of PT GKG has had the procedure to identify and trace the product (BGA-SOP-GKG-0415-29-RO). However, there is not yet clear explained in those procedure about plan mechanism for manage the products in related of RSPO IT platform or book and claim.	Mill	Major	Before the Final Report	Kendawangan Mill of PT GKG must be able to describe the procedure that has to do with SCCS in term of the registration and reporting of proper supply chain via RSPO IT platform or book and claim.	Root Cause: The Staff do not ensure that. Corrective Action: The management unit has ensured that the issue has been attached on the changes o the document of SOP of product identification and traceability and SOP of Book and Claim and RSPO Logo usage. Preventive Action: Ensuring that the management unit has registered via RSPO eTrace system. Auditor Observation: May 15th 2015 The management unit has sent the evidence of corrective action in form of the document of	Closed	May 15th 2015

No. CAR	Ref Std	Nonconformity	Area	Grade	Deadline	Corrective Action	Observation and Date	Status	Closed Date
							<p>formulir of changes of document of SOP of product identification and traceability and SOP of book and claim and RSPO logo usage. The communication and claim as well as the transaction of the RSPO Certified CPO with RSPO eTrace system is also described on point 7.4 of the SOP of product identification and traceability.</p> <p>Auditor Conclusion: Hence, NC No. 2015.4 SCCS E.2.2 is Closed.</p>		

3.5.2 Opportunity for Improvement during ST-2 Assessment

No	Ref Std	Descriptions
1	Major 3.1.1	The company has opportunity to improve the long term work projection by adding indicator of price prediction.
2	Major 4.5.1	The company has opportunity to evaluate the use of <i>Brodifacoum</i> to control the rats and prioritize the use of natural predator to control the rat.
3	Major 4.7.3	The company has opportunity to evaluate the PPE quality and socializat the PPE washing and placement.
4	Major 5.2.1	The management unit of PT GKG and PT GKS should consult (confirm) the identified and determined HCV area to the HCV Assessor in order to ensure the proper follow up action for the area (for example, the area of cannal MB2 of Block Q24 and R24, Seriam Jaya Estate).

5	Major 6.12.1	The management unit should ensure the collective labour agreement is fairly implemented to all employees.
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3.5.3 Noteworthy Positive Components

No	Ref Std	Descriptions

3.6 Summary of Arising Issues from Public, Management and Auditor Response

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>Ketapang District Plantation Agency</p> <ul style="list-style-type: none"> • The good relation between PT GKG & PT GKS and Ketapng District Plantation Agency is well maintained. • The mandatory of the routine report is well complied and it is reported on time. For example, the plantation business progress report (LKUP). • Ketapang District Plantation Agency has conducted the plantation business assessment (PUP) over PT GKG & PT GKS on 2012. The next assessment shall be conducted on 2015. • PT GKG and PT GKS has had the certificate of Land Use Title (HGU) and plantation business permit proper with the law. • Kendawangan Mill has bought the FFB from the smallholders based on the price standard applied by West Kalimantan Province Plantation Agency. • The company has had quite helpful CSR program for the locals. For example, the outpatient program and free ambulance. • The company has supported the program of scheme smallholder by establishing scheme smallholder to the locals. However, the selection for the smallholders and the land does not get to the spaceship (no deal). 	<ol style="list-style-type: none"> 1. The good relation shall always be maintained. 2. The routine report to the agency shall always be conducted based on the applied law. 3. The company is waiting the confirmation from the Plantation Agency in term of the program. 4. The compliance over the company legality based on the applied law. 5. The parameter of the FFB pricing is based on the FFB price applied by Plantation Agency. 6. The CSR and CSV program shall be conducted continously by concerning the local economy development. 7. The company shall conduct mediation with the associated parties and facilitate the resolution the village party and the smallholders want to negotiate in order to maintain good relation with the locals. 	<p>According to the result of consultation with the local stakeholders (village administrative government, community figure and the representatives of the locas, there are several facts. For example:</p> <ul style="list-style-type: none"> • PT GKG and PT GKS has executed several CD/CSR program. For example the assitance for the road construction at nearby villages. • The productive business (blacksmith). The company also has brought several people to visit other place for business interest. • Donation to the spiritual programs via At Taqwa Foundation. • Guidance for the smallholders.
<p>Ketapang District Manpower Agency</p>		<p>According to the result of consultation with the</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<ul style="list-style-type: none"> PT GKG and PT GKS have maintained good relation with the Manpower Agency. Both management units have involved the agency to hold the training. For example, the OHS Guiding Committee training on March 16th – 18th 2015. Mandatory over the routine report has been complied. For example, the report of OHS Guiding Committee and workforce report obligation. The report of workforce obligation was recently reported on January 27th 2015. According to the data and the latest visit of the staff of guidance and monitoring of Manpower Agency, PT GKG & PT GKS management unit has implemented OHSMS in estate and mill. PT GKG & PT GKS has had the well structured work procedure and has registered the employees on the Manpower BPJS program. There is no report of the dispute between the company and the employees. PT GKG & PT GKS have offered proper wage based on the minimum wage standard on the plantation sector by referring the law. PT GKG & PT GKS have had the Company Regulation as the reference of relation maintenance between the company and the employees. 	<ol style="list-style-type: none"> The good relation shall always be maintained and the coordination with the agency in term of the implementation of the OHS management in the company. The company committed to comply the applied law such as the reporting of OHS Guiding Committee and Workforce obligation report. The company shall propose the audit of OHSMS for PT. GKG dan PT. GKS. PT GKG & PT GKS committed to register the employees on the Manpower BPJS program. The company committed to improve the employee's welfare and facilitate the Bipartit cooperative institution forum so the dispute can be prevented. The wage standard applied by the company has been referring the applied law. The company regulation shall always be updated. The socialization to the employees shall be held once the company regulation change. 	<p>internal stakeholders (representative of employees and gender committee board), there are several facts. For example:</p> <ul style="list-style-type: none"> There is no any dispute in term of the manpower and any of domestic violence over women rights. PT GKG and PT GKS have given wage to the employees based on the minimum wage standard on the region.
<p>Ketapang District National Land Agency There is no staff who wants to inform the auditor. There was a meeting on the agency during the public consultation. Furthermore,</p>	<p>The invitation of the public consultation has been sent to the associated agency. The paper of invitation has been</p>	

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
there is no contactable phone number.	shown. The company guide the auditor to the agency for the public consultation.	
Ketapang District Environment Agency There is no staff who wants to inform the auditor. Furthermore, there is no contactable phone number.	The invitation of the public consultation has been sent to the associated agency. The paper of invitation has been shown. The company guide the auditor to the agency for the public consultation.	
Seriam Village <ul style="list-style-type: none"> • The positive impact of the estate establishment is the job opportunity offered by the company (the locals work as harvesters and security Officer). • There are still several unsolved land dispute within the company area. • There are are within PT GKS beyond the scope of Land Use Title (HGU). • The cooperation between the company and the smallholder cooperative unit on the partnership program is not running transparently. <p><u>Aspiration:</u></p>	<ul style="list-style-type: none"> • The company shall prioritize the locals to maintain the positive impacts of the company establishment over the economy improvement (for the locals). • The occurred land dispute is the land re-claim conducted by the claimer. It is solved by using mediation with the third party. If the mediation does not work, the dispute shall be solved in court. • The land beyond the Land Use Title (HGU) is considered as the finding in ST-1 audit and is now being processed based on the applied law. • The socialization of the report of estate establishment funding was attended by Plantation Agency, all the board member of cooperative unit and the representatives of smallholders. • The land compensation did not involve the Chief of Village due to the power vacuum. However, the future land and crops compensation has involved the village apparatus. 	<p>The company has shown several documents of land dispute resolution progress and other evidence (official record and agreement paper).</p> <p>According to the information from several villagers, the scheme smallholders program obstacle is mainly the internal problem of the cooperative board who are not routinely meet the members.</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<ul style="list-style-type: none"> The village administrative government should know the compensation process. Several land compensation process is unknown. The relation between the company and the locals must be improved (the company does not only meet the village administrative government or the locals once the problem occurred). 	<ul style="list-style-type: none"> The relation with the fair CSR and CSV program. The program with the forum of the Head of sub-district invites the community figures and the village apparatus. 	
<p>Banjarsari Village</p> <ol style="list-style-type: none"> The company was giving several assistances. For example: <ul style="list-style-type: none"> - Well as the clean water source (artesian well). - Cement to construct volley ball court. - Medical consultation at the beginning of 2015 (it has been twice). The scheme smallholder program is not working well due to the differences of data from the cooperative unit and from the future smallholders. 	<ol style="list-style-type: none"> The company always support the programs to keep the local wisdom. The next CSR programs shall be focused on the empowerment of the economy improvement of the locals based on the natural resource potential owned by the village/hamlet so the assistance can be given sustainably and in long term period. The future smallholders are determined by referring the result of the determining team verification in Kendawangan Sub-District with the data of land compensation. 	<p>According to the information from several villagers, the scheme smallholders program obstacle is mainly the internal problem of the cooperative board who are not routinely meet the members.</p>
<p>Mekar Utama Village</p> <ol style="list-style-type: none"> The positive impact of the estate existence is the crowdly place of worship. The negative impact of the estate existence is the dirty river water. 	<ol style="list-style-type: none"> The workers are constituted by the locals and the newcomer and there are hundreds of employees. Therefore, the place of worship is no more crowdly. In order to solve the river dirtiness, the company manage the tengar riparian directly passing through Mekar Utama Village. The contamination is also 	<p>The company has shown several document of the land resolution progress as well as the other evidence of record (official record and agreement paper).</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>3. The scheme smallholder program is being processed and there are still several uncompensated area.</p> <p>4. The existence of the scheme smallholder program is not transparently known by the smallholders due to the lack of information from the board of cooperative unit to the smallholders.</p> <p>5. There are still unsolved several land disputes between the company and the locals.</p>	<p>caused by the other companies operating along the Tengah River.</p> <p>3. The land compensation process concern the exist legal aspect.</p> <p>4. The company shall facilitate the training and guidance to the smallholders by involving government.</p> <p>5. The identified land dispute shall be solved by referring the SOP of land conflict management and SOP of external complaint.</p>	
<p>Kendawangan Kiri Village</p> <p>1. The positive impact of the estate establishment are: - Assistance for the road construction in Jati Hamlet. - Comparative study to Pangkalan Bun for the metalwork of estate worker's equipments (blacksmith). The workshop has now been established at village.</p> <p>2. BGA group has donated IDR 150,000,000 via At Taqwa Foundation.</p> <p>3. The scheme smallholder program is not fairly implemented and is not yet known by the locals. There is an MoU between the</p>	<p>1. The company shall always support the programs to build the public facilities and economy improvement. The next CSR programs shall be focused on the empowerment of the economy improvement of the locals based on the natural resource potential owned by the village/hamlet so the assistance can be given sustainably and in long term period</p> <p>2. The company shall focus the assistance on the aspect of education, health, social and spiritual programs, infrastructure and economy improvement by keeping the government regarded. The CSR and CSV programs are conducted by harmonizing the hamlet-village-sub-district. Therefore, all parties have sense of belonging.</p> <p>3. The future smallholders are determined by referring the result of the determining team verification in</p>	<p>According to the information from several villagers, the scheme smallholders program obstacle is mainly the internal problem of the cooperative board who are not routinely meet the members.</p>

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>cooperative unit and the company. However, it is not yet well known by the smallholders.</p> <p><u>Aspiration:</u></p> <ol style="list-style-type: none"> 1. The CSR programs should be coordinated with the village administrative government so it could be adjusted with the program planned by the government. 2. The list of the workers from the other region should be coordinated with the government so it could be recorded on the data of the local village administrative government. 3. It will be helpful if the company assist the construction of the student boarding house in Pontianak for the students from Kendawangan and the nearby area. 	<p>Kendawangan Sub-District with the data of land compensation.</p> <ol style="list-style-type: none"> 4. The company is always coordinating with the village consultation institute and the village apparatus. 5. The reporting of the list of employees is conducted monthly (updated data) and the settler information paper shall be composed. 6. The assistance for the student boarding house in Pontianak is being discussed by the company management via Bumitama Foundation. 	
<p>Bipartit Cooperative Institution</p> <ul style="list-style-type: none"> • The good relation between the company and the employees is well maintained. • Bipartit cooperative organization hold monthly meeting. The meeting is attended by the management representatives as well. • There is no issue in term of manpower conflict. • The provided public facilities are proper and well maintained. • The wage offered to them is referring the district minimum wage standard. • The temporary period workers are not insured on BPJS but the permanent period workers are. 	<ol style="list-style-type: none"> 1. The good relation between the employees and the industrialist shall always be well maintained. 2. Bipartit cooperative organization shall always hold monthly meeting so the good relation between the employees and the company shall always be well maintained. 3. The commitment of company to improve the welfare of its employees causes zero manpower conflict. 4. The public facilities have been provided by the company in each estate such as medical clinic, place of worship and sport facility as well as educational facility. 	<p>According to the result of interview with several workers, there are several facts. For example:</p> <ul style="list-style-type: none"> • There is no issue of manpower dispute and violence over the women rights. • PT GKG and PT GKS has offered wage based on the minimum wage standard on the region.

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<ul style="list-style-type: none"> The company regulation has been agreed with the employees and it has also been socialized to them. There is an agreement paper for 6 months between the company and the temporary period workers. The performance of the workers shall be evaluated post 6 months 	<ol style="list-style-type: none"> The wage offered to them is referring the district minimum wage standard and the company also give allowance in form of rice. The regional HR is not implementing the policy of the HQ HR. The changes of company regulation shall be socialized to the employees. The evaluation of the employee's performance is conducted in each semester to evaluate the employee's productivity and the efficiency over the company performance. 	
<p>Gender Committee</p> <ul style="list-style-type: none"> PT GKG & PT GKS has fulfilled the rights of women reproduction of the women workers such as the menstruation day off and childbirth day off. The pregnant and breastfeeding women are not allowed to work on heavy duty and those have to do with chemicals. The gender committee hold routine program such as the Quran recitation and maternal and baby clinic service. The procedure of complaint delivery has been known by the employees. 	<ol style="list-style-type: none"> The company has given right to take furlough for the pregnant women and women who are menstruating based on the applied law. The company should mutate the pregnant and breastfeeding women workers to the light duty and away from chemicals. The routine gender committee meeting does not only discuss the sexual harassment and women reproduction rights but also the routine medical service and religious rituals in estate. The procedure to express the complaint has been socialized. The Bipartite organization and complaint structure organization have also been formed to communicate with the company. The advise box is available as well. 	<p>According to the result of consultation with the board of gender committee, there are several facts. For example:</p> <ul style="list-style-type: none"> There is no domestic violence over women rights. According to the result of interview and field visit, there is no pregnant nor breastfeeding women workers working with chemicals.

Issue from Public (Agency / NGO / Community)	Management Response	Auditor Response
<p>Labour Union</p> <ol style="list-style-type: none"> 1. The labour union organization forming was conducted at the beginning of 2015. It has been registered on the Ketapang District Manpower Agency. 2. The registration for the labour union membership is conducted voluntarily by using the registration formulir signed by the workers. 3. The relation between the labour union and the company is not well maintained. The meeting is not routinely held (the latest meeting was held on March 2015). 4. There are unresponded complaints expressed by the employees in term of employee mutation. 	<ol style="list-style-type: none"> 1. The labour union has just been established. Therefore, the coordination with the industrialist is not well formed. 2. The company does not interfere the membership of the labour union. The employees are allowed to join the labour union as long as stand within the law. 3. The labour union has just been established. Therefore, the coordination with the industrialist is not well formed. The company held Bipartit cooperative institute routinely for coordinating the manpower issue. 4. The mutation of employees is the prerogative rights of the employees by considering need of company operational. 	<p>According to the result of interview with the labour union, there are several facts. For example:</p> <ul style="list-style-type: none"> • There is no manpower dispute nor violence over the women rights issue. • PT GKG and PT GKS has given proper wage to the employees based on the applied minimum wage standard on the region.

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 and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.

Signed on behalf of:

Bumitama Gunajaya Agri
Corporate Sustainability System

Mutuagung Lestari
Lead Auditor



Bremen Yoda

Friday, 07 August 2015



Oktovianus Rusmin

Friday, 07 August 2015

APPENDICES

Appendix 1 : List of Stakeholder Contacted in the RSPO Certification Process

No	Institusi/LSM/Masyarakat	Alamat	Telepon/Email	Bentuk komunikasi	Tanggal	Respon	
						Ya	Tidak
1	Plantation Agency	District of Ketapang, Province of West Kalimantan, Indonesia	-	Interview	May, 4 th 2015	✓	
2	Social, Manpower and Transmigration Agency	District of Ketapang, Province of West Kalimantan, Indonesia	-	Interview	May, 4 th 2015	✓	
3	Land Agency	District of Ketapang, Province of West Kalimantan, Indonesia	-	Interview	May, 4 th 2015	✓	✓
4	Environment Agency	District of Ketapang, Province of West Kalimantan, Indonesia	-	Interview	May, 4 th 2015	✓	✓
5	Aliansi Masyarakat Adat Nusantara	-	rumahaman@cbn.net.id	Questionnaire	April, 27 th 2015		✓
6	Wahana Lingkungan Hidup Indonesia	-	informasi@walhi.or.id atau info@walhi.or.id	Questionnaire	April, 27 th 2015		✓
7	WWF Indonesia		wwf-indonesia@wwf.or.id	Questionnaire	April, 27 th 2015		✓
8	Sawit Watch		informasi@walhi.or.id dan info@walhi.or.id	Questionnaire	April, 27 th 2015		✓
9	Seriam Village	District of Ketapang, Province of West Kalimantan, Indonesia	-	Focus Group Discussion	May, 5 th 2015	✓	
10	Banjarsari Village	District of Ketapang, Province of West Kalimantan, Indonesia	-	Focus Group Discussion	May, 5 th 2015	✓	
11	Mekar Utama Village	District of Ketapang, Province of West Kalimantan, Indonesia	-	Focus Group Discussion	May, 5 th 2015	✓	
12	Kedawangan Kiri Village	District of Ketapang, Province of West Kalimantan, Indonesia	-	Focus Group Discussion	May, 5 th 2015	✓	
13	LKS Bipartit	District of Ketapang, Province of West Kalimantan, Indonesia	-	Interview	May, 6 th 2015	✓	
14	Gender Committee	District of Ketapang, Province of West Kalimantan, Indonesia	-	Interview	May, 6 th 2015	✓	
15	Labour organization	District of Ketapang, Province of West Kalimantan, Indonesia	-	Interview	May, 7 th 2015	✓	

Appendix 1. Assessment Program			
TANGGAL		4 - 8 May 2015	
Rencana Waktu	Durasi Aktual	PROSES / HAL YANG DIAUDIT	AUDITOR
Monday/Senin, 4 May 2015			
07.00 – 08.30	07.00 – 08.30	JAKARTA → KETAPANG	• OR / RNL / AND / ISP
08.30 – 12.00	08.30 – 12.00	Stakeholders Consultation to Related Government Institution (Ketapang District Government and local NGO)	• AND
13.00 – 16.30	13.00 – 16.30	KETAPANG → PT.GUNAJAYA KARYA GEMILANG (Kendawangan)	• AND
08.30 – 12.00	08.30 – 12.00	KETAPANG → PT.GUNAJAYA KARYA GEMILANG (Kendawangan) ❖ Opening Meeting ❖ Document Observation and Previous Non-conformances Verification (Stage-01)	• OR / RNL / ISP
14.00 – 14.30	14.00 – 14.30		• OR / RNL / ISP
14.30 – 17.30	14.30 – 17.30		• OR / RNL / ISP
Tuesday/Selasa, 5 May 2015			
08.00 – 08.30	08.00 – 08.30	Field Observation Mekar Utama Estate (PT GKG): <ul style="list-style-type: none"> • Best Agricultural Practices (Manuring, Spraying, Harvesting, Nursery, Integrated Pest Management) • Worker Welfare (payments, complaint mechanism, Safety and Health, Child Labour, etc..) • Hazardous Waste Material (LB3) management • Land Fire facilities, Storage, ect.. • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and 	• AND • RNL • RNL • ISP
08.00 – 12.00	08.00 – 12.00	Stakeholders consultation to village.	• OR
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 17.00	14.00 – 17.00	Field Observation Kendawangan POM : WWTP (IPAL), FFB Process Operations, OHS (K3), Supply Chain (Rantai Pasok), Hazardous Waste Management (LB3), etc..	• OR / RNL
14.00 – 15.30	14.00 – 15.30	Continue Field Observation Mekar Utama Estate (PT GKG)	• AND / ISP
15.30 – 17.00	15.30 – 17.00	Document Observation of Previous Non-conformances Verification (Stage-01) & Field Observation Clarification	• AND / ISP
Wednesday/Rabu, 6 May 2015			
08.00 – 08.30	08.00 – 08.30	Field Observation Seriam Jaya Estate (PT GKS): <ul style="list-style-type: none"> • Best Agricultural Practices (Manuring, Spraying, Harvesting, Nursery, Integrated Pest Management) • Worker Welfare (payments, complaint mechanism, Safety and Health, Child Labour, etc..) • Hazardous Waste Material (LB3) management • Land Fire facilities, Storage, ect.. • Legal operational and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) and 	• AND • RNL • RNL • ISP • OR

TANGGAL		4 - 8 May 2015	
Rencana Waktu	Durasi Aktual	PROSES / HAL YANG DIAUDIT	AUDITOR
08.00 – 12.00	08.00 – 12.00	Stakeholders consultation to village.	
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 15.30	14.00 – 15.30	Continue Field Observation Seriam Jaya Estate (PT GKS)	• OR / RNL / AND / ISP
15.30 – 17.30	15.30 – 17.30	Document Observation of Previous Non-conformances Verification (Stage-01) & Field Observation Clarification	• OR / RNL / AND / ISP
Thursday/Kamis, 7 May 2015			
08.00 – 11.00	08.00 – 11.00	Continue Field Observation and Completion Checklist	• OR / RNL / AND / ISP
11.00 – 12.00	11.00 – 12.00	Audit Finding Conclusion Preparation	• OR / RNL / AND / ISP
12.00 – 14.00	12.00 – 14.00	BREAK	
14.00 – 15.30	14.00 – 15.30	Closing Meeting	• OR / RNL / AND / ISP
16.00 – 19.00	16.00 – 19.00	PT. GKG / PT. GKS → KETAPANG	• OR / RNL / AND / ISP
Friday/Jumat, 8 May 2015			
08.00 – 11.30	08.00 – 11.30	KETAPANG → JAKARTA	• OR / RNL / AND / ISP