

**Roundtable on Sustainable Palm Oil Certification
RSPO**

[√] Reduction Scope Certification

Name of Management Organisation : Pasoh Palm Oil Mill, Felda Global Ventures subsidiary of FELDA
Plantation Name : Pasoh 1 Estate, Pasoh 2 Estate, Pasoh 3 Estate, Pasoh 4 Estate, Titi 2 Estate
Location : Simpang Pertang, Negeri Sembilan, Malaysia
Certificate Code : **MUTU-RSPO/063**
Date of Certificate Issue : 1 July 2015 **Date of License Issue** : 1 July 2015
Date of Certificate Expiry : 30 June 2020 **Date of License Expiry** : 30 June 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Review by	Approved by
ST-1	10–11 September 2014	Mahas, Diana	Ganapathy Ramasamy	Tony Arifiarachman
ST-2	29 September - 3 October 2014	Mohan Thavarajah, Octo HPN Nainggolan, Mohd Nizam Bin Abu Bakar, Mohd Hairimi bin Mohd Ali		
Reduction of Audit Scope	17 November 2015	Octo HPN Nainggolan	Taufik Margani	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
Additional Audit	7 December 2015

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Figure 1. Location Map of Pasoh.01 Estate

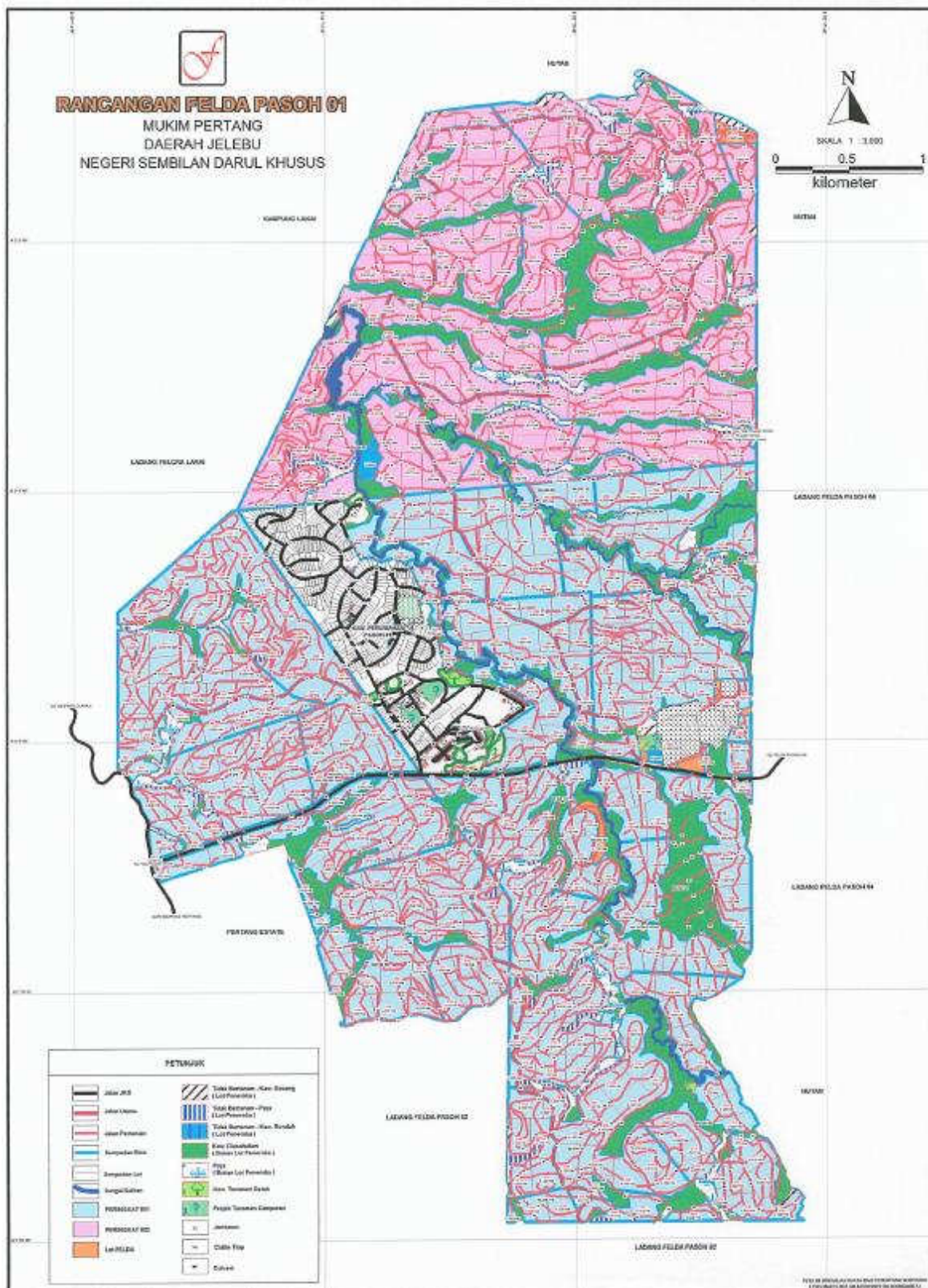
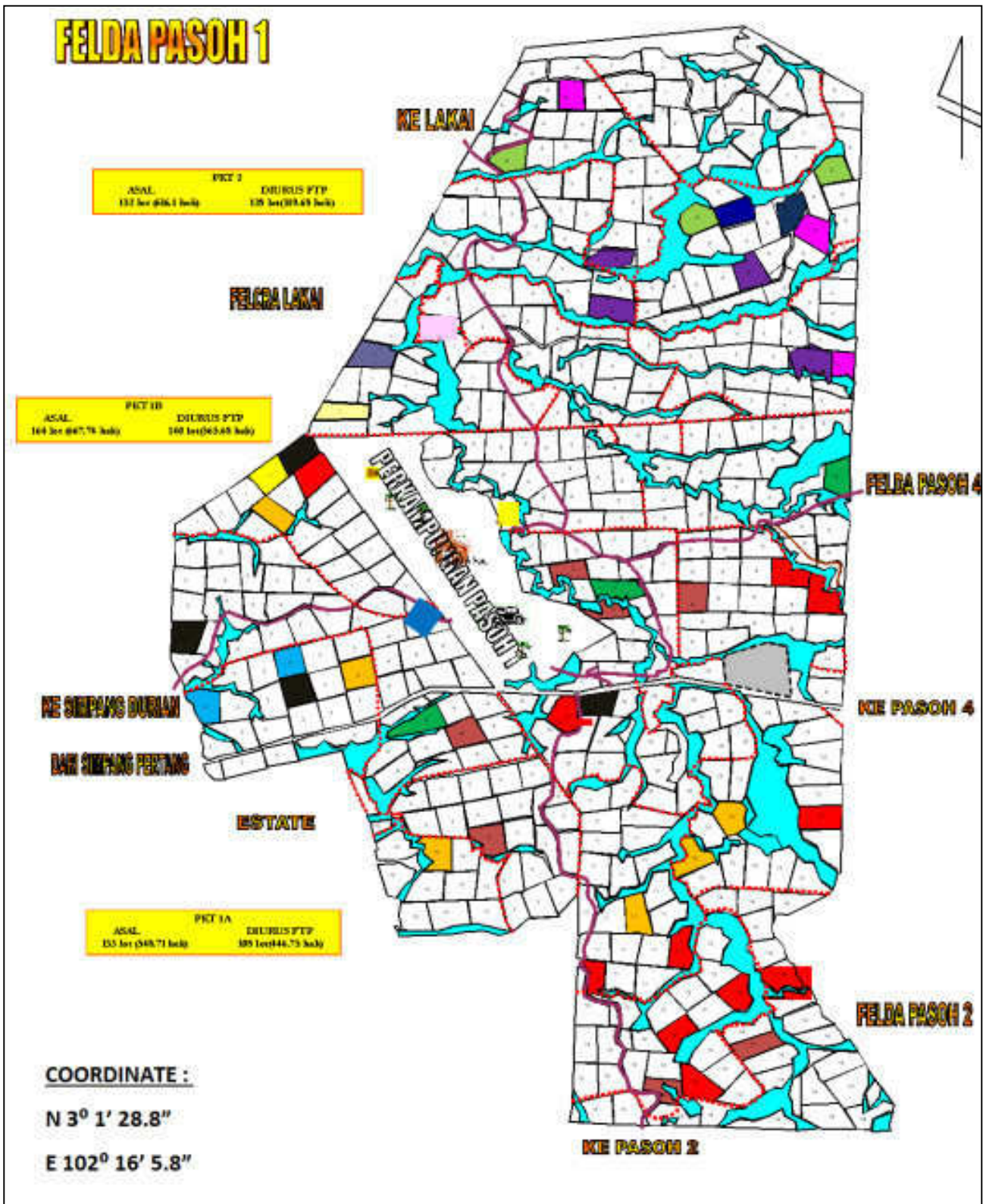


Figure 2. Location Map of Pasoh.01 Smallholders (Peneroka) Housing complex



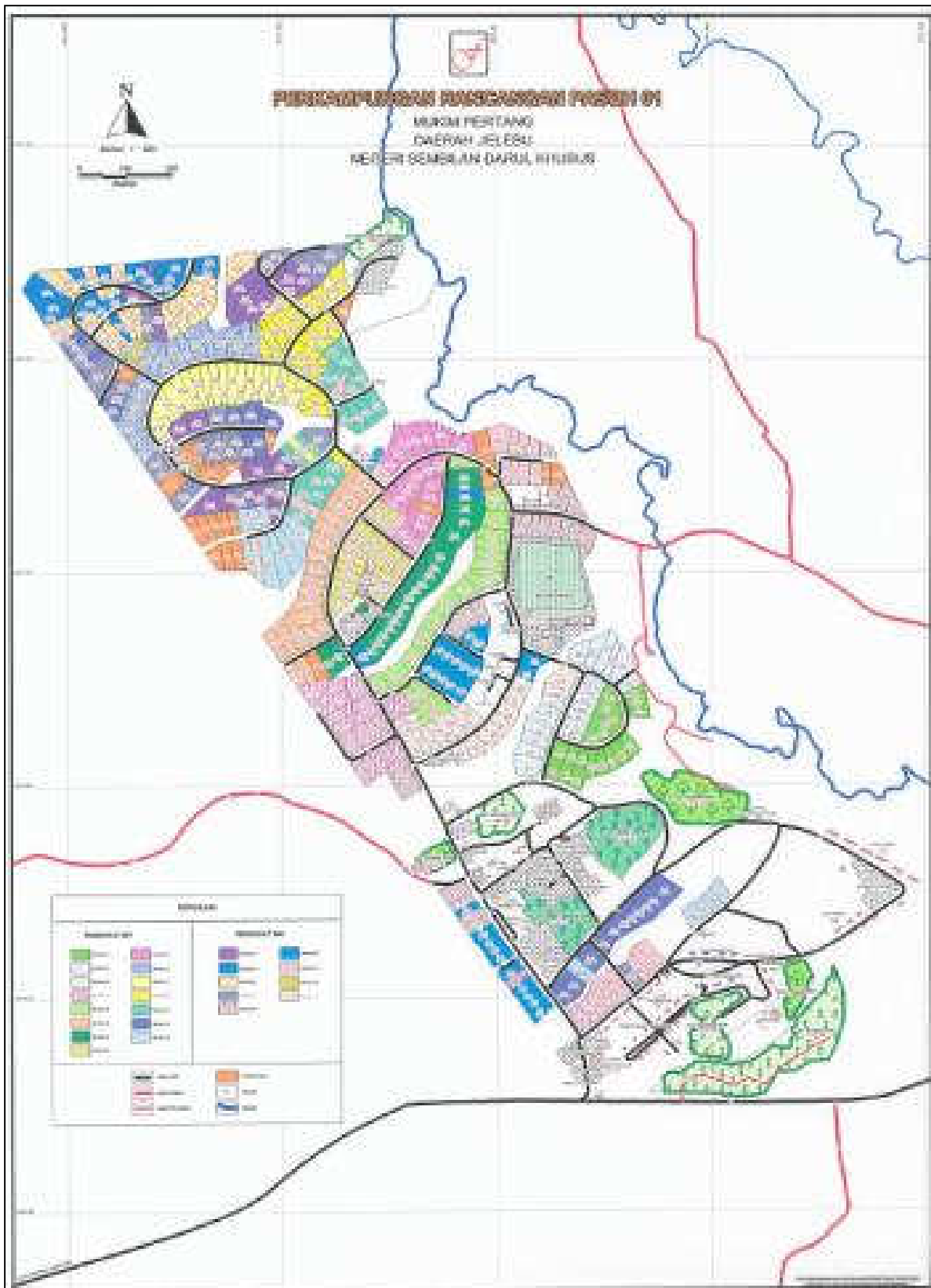


Figure 3. Location Map of Pasoh.02 Estate

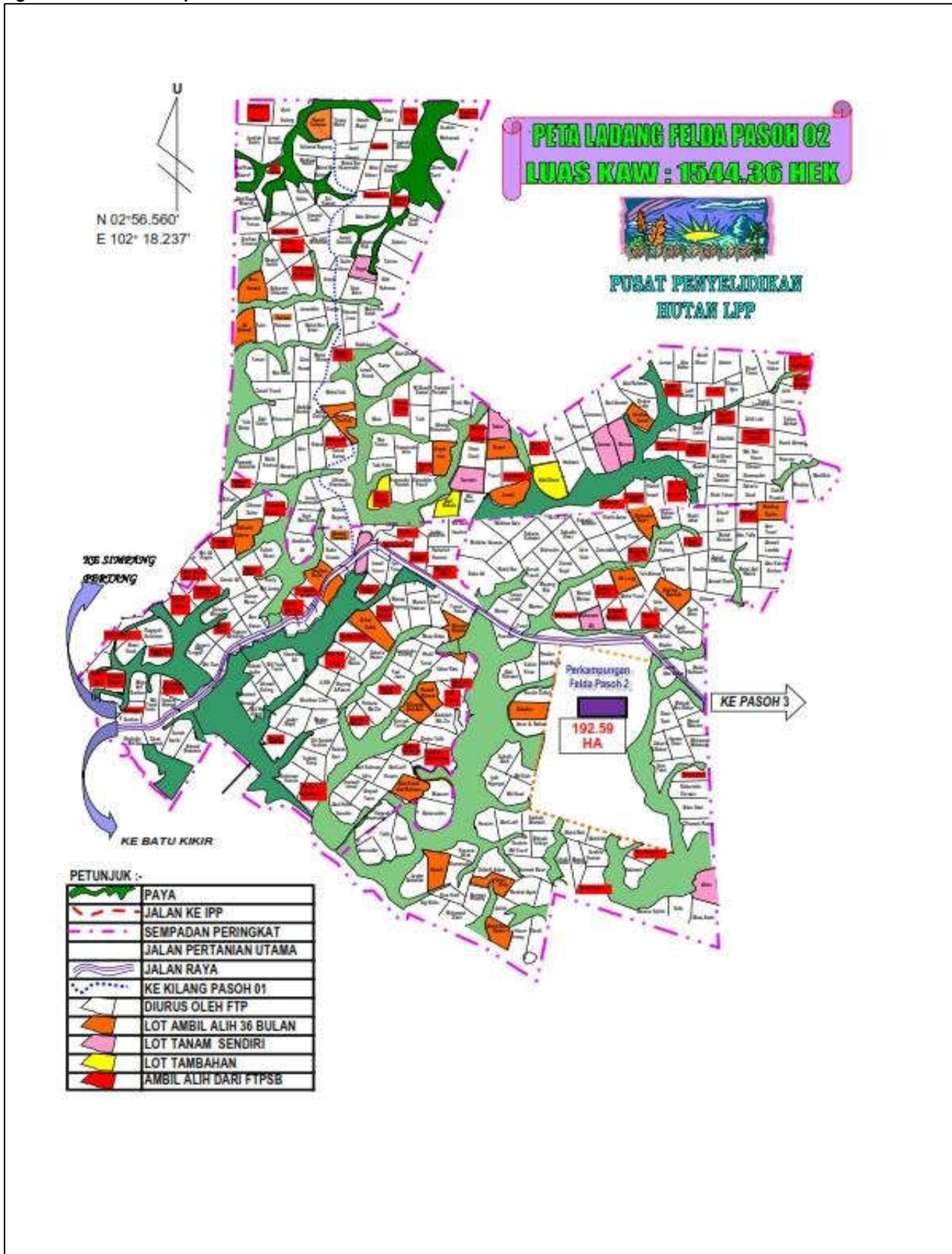


Figure 4. Location Map of Pasoh.02 Smallholders (Peneroka) Housing complex

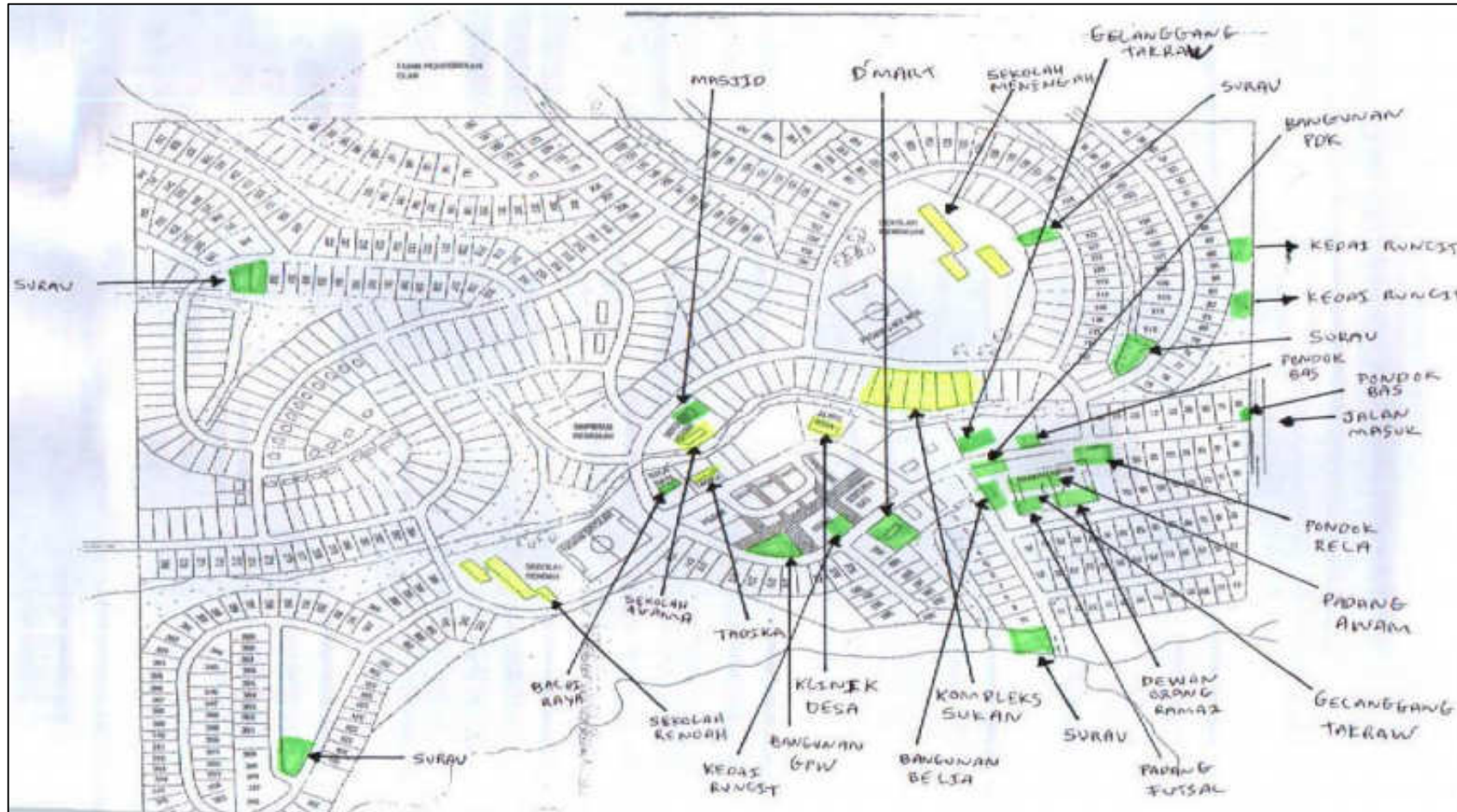


Figure 5. Location Map of Pasoh.03 Estate

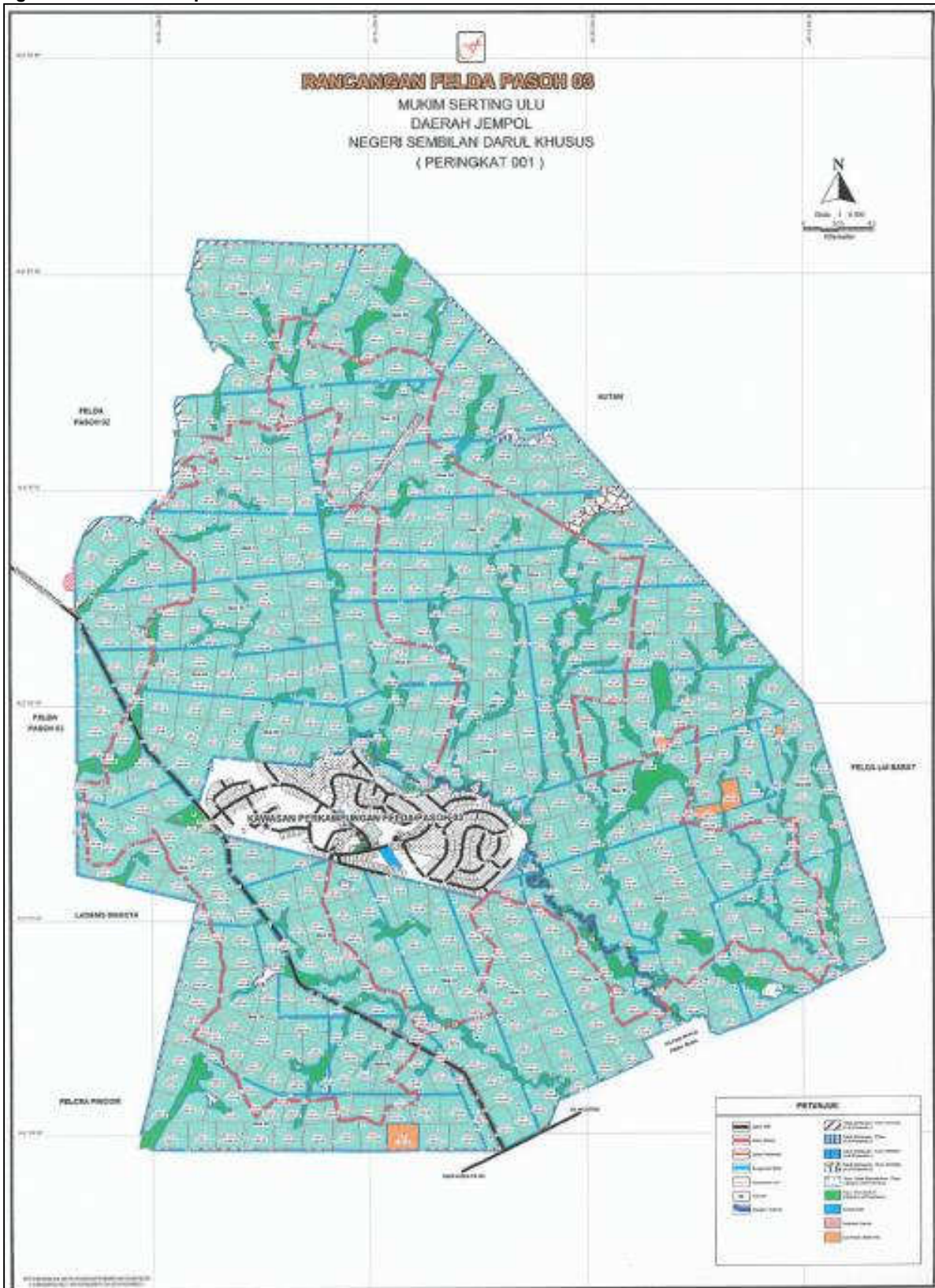


Figure 6. Location Map of Pasoh.03 Smallholders (Peneroka) Housing complex

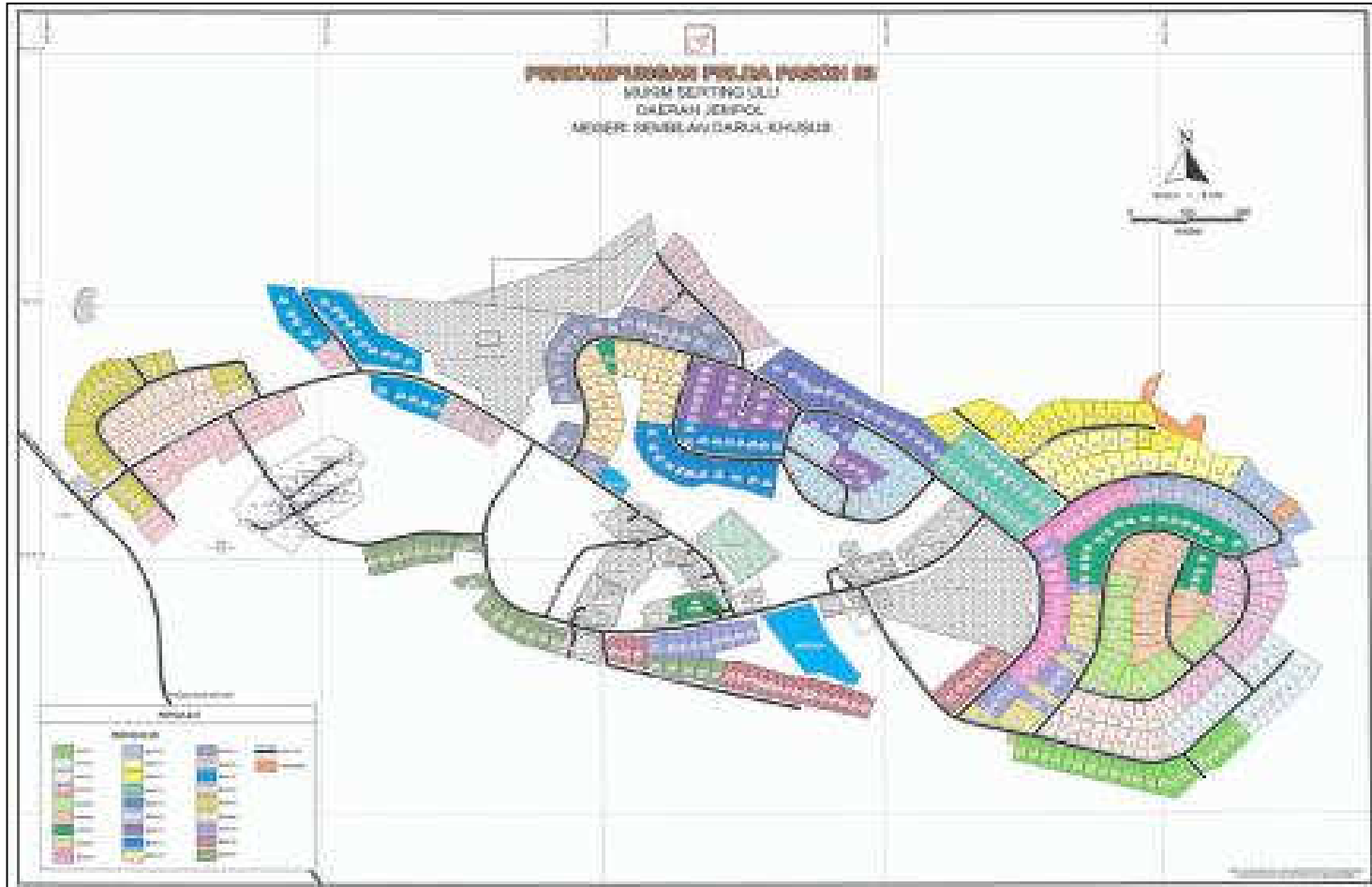


Figure 7. Location Map of Pasoh.04 Estate

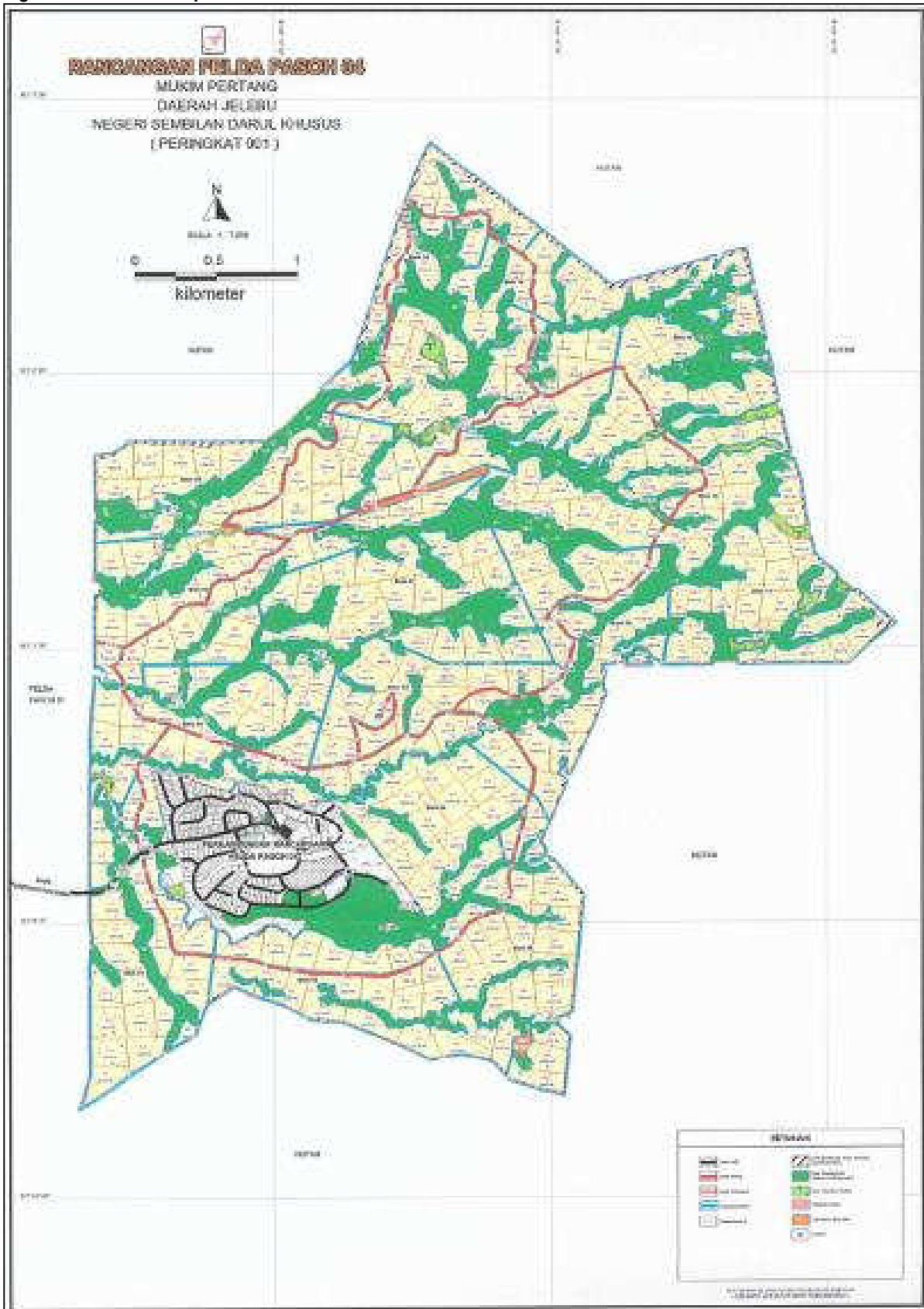


Figure 8. Location Map of Pasoh.04 Smallholders (Peneroka) Housing complex

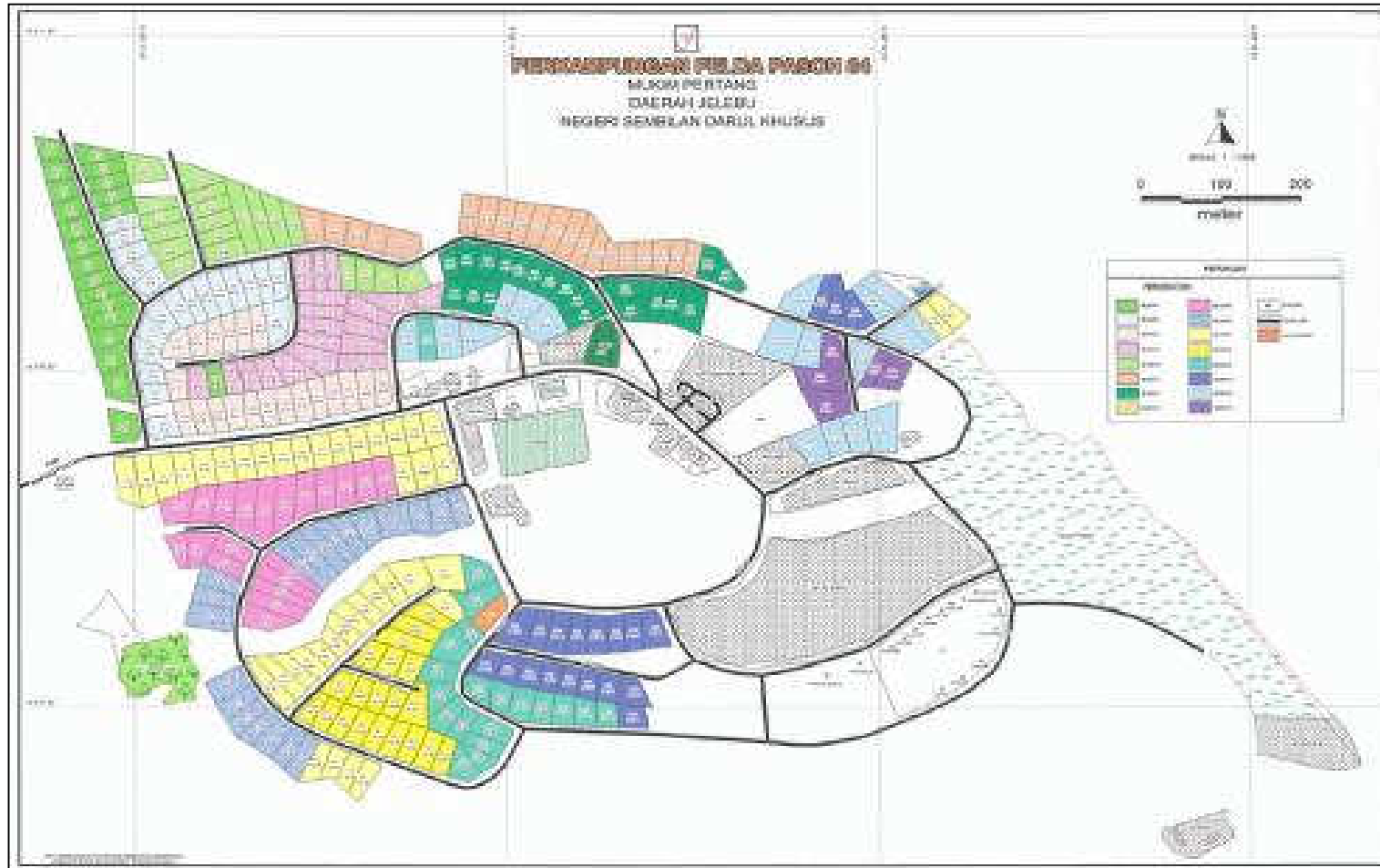
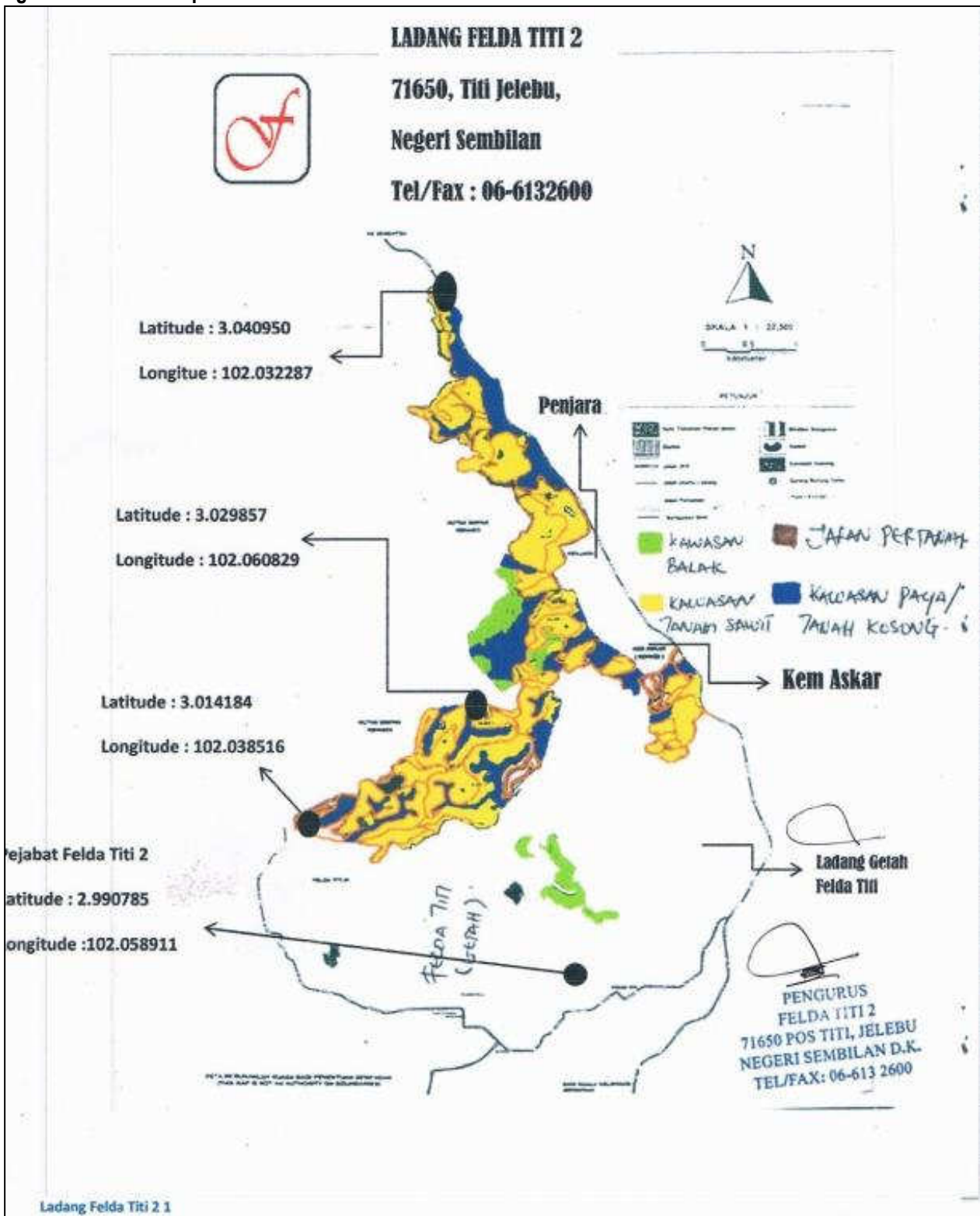


Figure 9. Location Map of *Titi.02 Estate*



Abbreviations Used		
BOD	:	Biological Oxygen Demand
CHRA	:	Chemical Health Risk Assessment
CSR	:	Corporate Social Responsibility
CPO	:	Crude Palm Oil
EFB	:	Empty Fruit Bunch
ESH	:	Environment and Safety and Health
FELDA	:	Federal Land Development Authority
FFB	:	Fresh Fruit Bunches
FGV	:	Felda Global Ventures
FTP	:	Felda Techno Plant
HCV	:	High Conservation Value (Nilai Konservasi Tinggi)
HIRARC	:	Hazard Identification Risk Assessment and Risk Control
MPOB	:	Malaysian Palm Oil Board
MSDS	:	Material Safety Data Sheet
NC	:	Non Conformance
OHS	:	Occupational Health and Safety
OER	:	Oil Extraction Rate
P&C	:	Principle and Criteria
IPM	:	Integrated Pest Management
PK	:	Palm Kernel
PKO	:	Palm Kernel Oil
POM	:	Palm Oil Mill
PSQM	:	Plantation Sustainability Quality Management
PMU	:	Plantation Management Unit
PPE	:	Personal Protection Equipment
RSPO	:	Roundtable on Sustainable Palm Oil
SEIA	:	Social and Environmental Impact Assessment
SIA	:	Social Impact Assessment
SCCS	:	Supply Chain Certification System
SOP	:	Standard Operating Procedure
WWTP	:	Wastewater Treatment Plant

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"> • <i>National Interpretation, RSPO Principles and Criteria (P&C) for Sustainable Palm Oil Production, Malaysia National Interpretation - RSPO MY-NIWG, April 2006 including smallholder NI</i> • <i>RSPO Supply Chain Certification Standard November 2011 for CPO Mill.</i> 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	Felda Global Ventures – FELDA	
1.2.2	Contact person	Mr. Norazam Abdul Hameed	
1.2.3	Organisation address and site address	PSQM, Felda Global Ventures Plantations (M) Sdn Bhd Level 20, Menara Felda Platinum Park, Lorong 11, Persiaran KLCC, Kuala Lumpur, Malaysia, 50088	
1.2.4	Telephone	(+603) 2600 5349	
1.2.5	Fax	(+603) 2698 7816	
1.2.6	E-mail	anthonius.s@feldaglobal.com	
1.2.7	Web page address	www.felda.net.my	
1.2.8	Management Representative who completed the application for certification	Mr. Anthonius Sani	
1.2.9	Registered as RSPO member	1-0013-04-000-00, 17 October 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	Palm Oil Mill and supply base. Pasoh Mill, FELDA/FTP Pasoh-01 Estate, FELDA/FTP Pasoh-02 Estate, FELDA/FTP Pasoh-03 Estate, FELDA/FTP Pasoh-04 Estate, FELDA Titi-02 Estate	
1.3.2	Type of certificate	Single	
1.4	Locations of Mill, Plantations and Area Statement		
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	PASOH	Kilang Sawit Pasoh, 72300 Simpang Pertang, Neg. Sembilan Drl. Khusus.	N 3° 02' 48" E 102° 14' 49"
1.4.2	Location of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude
	FELDA/FTP Pasoh 1	Felda Pasoh 01, 72300 Simpang Pertang, Neg. Sembilan Drl. Khusus.	N 3° 01' 21" E 102° 15' 58"
	FELDA/FTP Pasoh 2	Felda Pasoh 02, 72300 Simpang Pertang, Neg. Sembilan Drl. Khusus.	N 2° 56' 27" E 102° 18' 06"
	FELDA/FTP Pasoh 3	Felda Pasoh 03, 72200 Batu Kikir, Neg. Sembilan Drl. Khusus.	N 2° 55' 47" E 102° 19' 44"
	FELDA/FTP Pasoh 4	Felda Pasoh 04, 72300 Simpang Pertang, Neg. Sembilan Drl. Khusus.	N 3° 00' 55" E 102° 17' 54"
	FELDA Titi 2	Felda Titi 02, 71650 Pos Titi, Neg. Sembilan Drl. Khusus.	N 2° 99' 78" E 102° 05' 89"

1.5	Description of Area Statement						
1.5.1	Tenure						
	• State	503.16 Ha					
	• Community (Peneroka)	6,629.95 Ha					
1.5.2	Area Statement						
	• Total area	7,133.11 Ha					
	• Mature area	5,008.21 Ha					
	• Immature area	53.22 Ha					
	• Others plant	63.78 Ha					
	• Cementary (<i>wakaf</i>)	4.26 Ha					
	• Main Road	43.96 Ha					
	• Bushes	3.62 Ha					
	• Air Strip	4.16 Ha					
	• Reservoir	2.38 Ha					
	• Low Land (swamp) – Conservation area	1,579.16 Ha					
	• Buildings	5.11 Ha					
	• Mill	6.00 Ha					
	• Housing complex	359.25 Ha					
	• HCV	- Ha					
1.6	Planting Year and Cycles						
1.6.1	Age profile of planting year						
	Planting Year	Hectarage					
		Pasoh.01 (Ha)	Pasoh.02 (Ha)	Pasoh.03 (Ha)	Pasoh.04 (Ha)	TITI,02 (Ha)	TOTAL
	2000				-	400.5	400.5
	2002	994.90	1,196.24	1,429.06	-	-	3,620.20
	2003	-	-	-	979.48	-	979.48
	2004	-	4.01	-	-	-	4.01
	2005	-	4.02	-	-	-	4.02
	2013	-	53.22	-	-	-	53.22
	TOTAL	994.90	1,257.49	1,429.06	979.48	400.50	5,061.43
1.6.2	New Planting area after January 2010				-		Ha
1.6.3	Planting Cycle				2 nd Cycle		Years
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 (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
	PASOH	40	188,850	38,653.77	20.47	9,338.4	4.94
	<i>*Source Production Data September 2013 to August 2014</i>						
1.7.2	Description of Certification Scope of Supply Base						

Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill
					FFB (tonnes/year)
FELDA/FTP Pasoh 1 (230 smallholders by FELDA/FTP)	1,491.24	994.90	35,682.66	23.92	33,540.88
FELDA/FTP Pasoh 2 (266 smallholders by FELDA/FTP)	1,833.70	1,257.49	39,177.05	21.36	39,177.05
FELDA/FTP Pasoh 3 (260 smallholders by FELDA/FTP)	1,933.60	1,429.06	49,910.41	25.81	49,910.41
FELDA/FTP Pasoh 4 (182 smallholders by FELDA/FTP)	1,371.41	979.48	32,944.99	24.02	32,944.99
FELDA Titi 2	503.16	400.50	3,774.36	7.50	4,868.23
TOTAL	7,133.11	5,061.43	161,489.47	22.64	160,441.56

**Source Production Data September 2013 to August 2014*

**FELDA Global Ventures Plantation (M) Sdn Bhd Letter on November 11th, 2015 number (32) FVPM/PSQM/SPO/HQ/01 regarding the exclusion of own manage smallholders (Peneroka Urus Sendiri) from RSPO certification scope in estate which have smallholders.*

1.7.3 FFB description from other source

Name of sources	Members	Location	Supplied to Mill FFB(tonnes/year)
DEALER (Supplier)	Independent smallholders	Neg. Sembilan Drl. Khusus.	24,452.70
TOTAL			24,452.70

**Source Production Data Septemember 2013 to August 2014*

1.7.4 Product categories FFB, CPO, PK

1.8 Estimate Tonnage of Certified Product

1.8.1 Past Annual Claim Certified Product	Certificate Claim (tonnes/year)	Actual certified product (tonnes/year)
• FFB Production	-	-
• CPO Production	-	-
• Palm Kernel (PK) Production	-	-

*** Certificate Claim will be verified during the next assessment (first Surveillance)*

1.8.2 Estimate of Certified FFB Claim

Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)
FELDA/FTP Pasoh 1 (230 smallholders by FELDA/FTP)	1,491.24	994.90	22,883	23.0
FELDA/FTP Pasoh 2 (266 smallholders by FELDA/FTP)	1,833.70	1,257.49	30,809	24.5
FELDA/FTP Pasoh 3 (260 smallholders by FELDA/FTP)	1,933.60	1,429.06	32,868	23.0
FELDA/FTP Pasoh 4 (182 smallholders by FELDA/FTP)	1,371.41	979.48	25,956	26.5

FELDA Titi 2	503.16	400.50	4,806	12.0
TOTAL	7,133.11	5,061.43	117,322	22.57

**Projected FFB production for 12 months of certificate (1 July 2015 to 30 June 2016)*
**Projected FFB's consist of FELDA own estate and Smallholders manage by FELDA/FTP (not include own manage smallholders)*

1.8.3 Estimate of Certified Palm Product Claim

Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
			Out put (tonnes)	Extraction (%)	Out put (tonnes)	Extraction (%)
PASOH	40	117,322	24,638	21.0	5,866	5.0

**Projected CSPO and CSPK production for 12 months of certificate (1 July 2015 to 30 June 2016)*

1.9 Other Certifications

ISO 9001:2008	ISO 9001 : 2008 (Quality management Systems) by SIRIM QAS No.AR 4118 for FELDA PALM INDUSTRIES SDN. BHD. Kilang Sawit Pasoh 72300 Simpang Pertang, Negeri Sembilan Darul Khusus Malaysia. 16 November 2011 – 15 November 2014
ISO 14001: 2004	ISO 14001 : 2004 (Occupational Health and Safety Management Systems) by SIRIM QAS No.ER 0387 for FELDA PALM INDUSTRIES SDN. BHD. Kilang Sawit Pasoh 72300 Simpang Pertang, Negeri Sembilan Darul Khusus Malaysia. 16 November 2011 – 15 November 2014
OHSAS 18001:2007	ISO 18001 : 2007 (Occupational Health and Safety Management Systems) by SIRIM QAS No.SR 0132 for FELDA PALM INDUSTRIES SDN. BHD. Kilang Sawit Pasoh 72300 Simpang Pertang, Negeri Sembilan Darul Khusus Malaysia. 16 November 2011 – 15 November 2014

1.10 Time Bound Plan

1.10.1 Time Bound Plan for Other Management Units

No	Management Unit	Address	Hectarage (Ha) *	Time Bound Plan (Planned Audit Year)	Status (Actual/Target Certification Year)
1	Kota Gelanggi 6	Kilang Sawit Kota Gelanggi 6, W/Pos Felda Kota Gelanggi.27000 Jerantut, Pahang	10,334	Q4, 2009	Certified: 2010
2	Lepar Utara 6	Kilang Sawit Lepar Utara 6, Peti Surat 12 & 2020 26400 Bandar Pusat Jengka Pahang	11,538	Q4, 2009	Certified: 2010
3	Jengka 21	Kilang Sawit Felda Jengka 21, Bandar Pusat Jengka, 26400 Pahang	14,319	Q3, 2011	Certified: 2013
4	Jengka 3	Kilang Sawit Jengka 3, 26400 Bandar Jengka. Pahang	13,720	Q1, 2011	Certified: 2012
5	Jengka 8	Kilang Sawit Jengka 8, 26400, Bandar Tun Abdul Razak Jengka, Pahang	13,895	Q1, 2011	Certified: 2012
6	Lepar Utara 4	Kilang Sawit Lepar Utara 04, Peti surat 55, Pejabat Pos Bandar Pusat Jengka, 26400 Bandar Pusat Jengka, Pahang	9,415	Q3, 2011	Certified: 2012
7	Jengka 18	Pejabat Felda Jengka 18 (Seroja) palm Oil Mill, 26400 Bandar Pusat Jengka, Jengka, Pahang	12,296	Q3, 2011	Certified: 2013
8	Padang Piol	Kilang Sawit Padang Piol, 27040 Jerantut, Pahang	4,960	Q1, 2011	Certified: 2012
9	Adela	Kilang Sawit Adela, Po Box 73, Bandar Penawar, Kota Tinggi 81930 Johor	12,930.04	Q1, 2011	Certified: 2012
10	Lok Heng	Kilang Sawit Lok Heng, PO Box 55, 81907 Kota Tinggi, Johor	12,799	Q1, 2011	Certified: 2012

11	Semenchu	Kilang Sawit Semenchu, Peti Surat 63, 81907 Kota Tinggi, Johor	15,797	Q2, 2011	Certified: 2012
12	Wa Ha	Kilang Sawit Waha, Karung Kunci S24, 81907 Kota Tinggi, Johor	9,597	Q1, 2013	Certified: 2012
13	Bukit Kepayang	Kilang Sawit Bukit Kepayang, 28300 Triang, Pahang	10,164.44	Q4, 2011	Certified: 2013
14	Bukit Mendi	Kilang Sawit Bukit Mendi, 28320 Triang, Pahang	7,838	Q4, 2011	Certified: 2012
15	Kemasul	Kilang Sawit Kemasul, 28300 Triang, Pahang	10,150	Q4, 2011	Certified: 2012
16	Tementi	Kilang Sawit Tementi, 38300 Triang, Pahang	11,696	Q4, 2011	Certified: 2013
17	Triang	Kilang Sawit Triang, 28300 Triang, Pahang	10,142	Q4, 2011	Certified: 2012
18	Segamat (GC)	Felda Segamat Region Complex, KM 5, Jalan Genuang, 89000 Segamat, Johor	11,192	Q1, 2011	Certified: 2012
19	Belitong	Kilang Sawit Belitong, Peti Surat 61, 86007 Kluang, Johor	7,110	Q4, 2012	Certified: 2014
20	Bukit Besar	Kilang Sawit Bukit Besar, W/P Bukit Besar, 81450 Kulai, Johor	4,716	Q4, 2012	Certified: 2014
21	Kahang	Kilang Sawit Kahang, Karung Berkunci No. 533, 86007 Kluang, Johor	5,134	Q4, 2012	Certified: 2014
22	Kulai	Kilang Sawit Kulai, Felda Taib Andak, 81000, Kulai, Johor	7,531	Q4, 2012	Certified: 2014
23	Nitar	Kilang Sawit Nitar, Felda Nitar 2, 86700 Kahang, Johor	5,819	Q4, 2012	Certified: 2014
24	Penggeli	Felda Penggeli Palm Oil Mill, Peti Surat 28, 81440 Bandar Tenggara, Johor	9,456	Q4, 2012	Certified: 2014
25	Lepar Hilir	Pejabat Felda Lepar Hilir palm Oil Mill, Gambang, Pahang	14,575	Q4, 2012	Certified: 2014
26	Bukit Sagu	Kilang Kelapa Sawit Bukit Sagu, Peti surat 331, 26130 Kuantan, Pahang	11,684	Q4, 2012	Certified: 2014
27	Baiduri Ayu	Kilang Sawit Felda Baiduri Ayu, Peti Surat 29, Pos Cenderawasih, 91150 Lahad Datu, Sabah	7,450	Q4, 2013	Certified: 2014
28	Fajar Harapan	Kilang Sawit Felda Fajar Harapan, Peti Surat 27, Pos Cenderawasih, 91150 Lahad Datu, Sabah	13,668	Q4, 2013	Certified: 2014
29	Kembara Sakti	Kilang Sawit Kembara Sakti, Peti Surat 24, 91150, Cenderawasih, Lahad Datu, Sabah	10,208	Q3, 2014	2014/2015
30	Mercu Puspita	Kilang Sawit Mercu Puspita, Peti Surat 29, 91150, Cenderawasih, Lahad Datu, Sabah	12,734	Q3, 2014	2014/2015
31	Nilam Permata	Kilang Sawit Nilam Permata, Peti Surat 23, 91150, Cenderawasih, Lahad Datu, Sabah	8,359	Q3, 2014	2014/2015
32	Hampanan Badai	Kilang Sawit Hampanan Badai, Peti Surat 25, 91150, Cenderawasih, Lahad Datu, Sabah	17,212	Q3, 2014	2014/2015
33	Embara Budi	Embara Budi Peti Surat No. 28, 91105 Lahad Datu, Sabah	15,070	Q2, 2014	2014/2015
34	Lancang Kemudi	Lancang Kemudi, Felda Sahabat 45, Lahad Datu, Sabah	10,698	Q2, 2014	2014/2015
35	Kalabakan	Kilang Sawit Kalabakan, Peti Surat No. 62007, 91030 Tawau, Sabah	7,352	Q2, 2014	2014/2015
36	Umas	Kilang Sawit Umas, WDT 43,91009, Tawau, Sabah	8,356	Q2, 2014	2014/2015
37	Besout	Kilang Sawit Besout, 35600 Sungkai, Perak	12,201.80	Q3, 2014	Certified: 2014
38	Trolak	Kilang Sawit Trolak, Pejabat POS Sungkai, 35600 Sungkai, Perak	6,899	Q3, 2014	2014/2015
39	Krau	Kilang Sawit Krau, Peti Surat 17, 28700 Bentong, Pahang	14,619	Q3, 2014	2014/2015
40	Pancing	Kilang Sawit Pancing, Peti Surat 257, 25730 Kuantan, Pahang	3,850	Q3, 2014	2014/2015

41	Neram	Kilang Sawit Neram, Pejabat Pos Mini Felda Neram 1, 26160 Kuantan, Pahang	15,262	Q3, 2014	2014/2015
42	Mempaga	Kilang Sawit Mempaga, 28600 Karak, Pahang	7,648	Q3, 2014	2014/2015
43	Chalok	Kilang Sawit Chalok, 21450 Setiu Terengganu	8,730.67	Q4, 2014	2014/2015
44	Sg Tenggi	Kilang Sawit Sg. Tenggi, Felda Gedangsa, 44010 Kuala Kubu Bahru, Selangor	7,320	Q3, 2014	2014/2015
45	Serting	Kilang Sawit Serting, Bandar Baru Serting, 72109 Jempol, Negeri Sembilan	17,947.93	Q3, 2014	2014/2015
46	Keratong 2	Kilang Sawit Keratong 02, Peti Surat 28, 26900 Bandar Tun Razak, Pahang	15,276	Q3, 2014	2014/2015
47	Keratong 03	Kilang Sawit Keratong 03, Peti Surat 21, 26900 Bandar Tun Razak, Pahang	12,036.48	Q3, 2014	2014/2015
48	Pasoh	Kilang Sawit Pasoh, 72300 Simpang Pertang, Negeri Sembilan	8,197.34	Q3, 2014	2014/2015
49	Kerteh	Kilang Sawit Kerteh, Beg berkunci No. 3, 23309 Ketengah Jaya, Terengganu	13,170.13	Q4, 2014	2014/2015
50	Selendang	Kilang Sawit Selendang, Pejabat Pos Kuala Rompin, 26800 Rompin, Pahang	13,944.20	Q3, 2014	2014/2015
51	Selancar 2A	Kilang Sawit Selancar 2A, Peti Surat 98, 85007 Segamat, Johor	8,399.40	Q4, 2014	Certified: 2015
52	Selancar 2B	Kilang Sawit Selancar 2B, Peti Surat 98, 85007 Segamat, Johor	7,555	Q3, 2014	2014/2015
53	Jerangau Barat	Kilang Sawit Jerangau Barat, Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	1,556	Q4, 2014	2014/2015
54	Jerangau Baru	Kilang Sawit Jerangau Baru, Wakil POS Felda Jerangau, 21820 Ajil Terengganu, Terengganu	10,805	Q4, 2014	2014/2015
55	Palong Timur	Kilang Sawit Palong Timur, Peti Surat 2, 73400 Gemas, Negeri Sembilan	26,331	2014/2015	2015
56	Serting Hilir	Kilang Sawit Serting Hilir, 72120 Bandar Baru Serting, Negeri Sembilan	24,689	2014/2015	2015
57	Maokil	Kilang Sawit Maokil, Jalan Kilang, Rancangan Felda Maokil, 85300 Labis, Johor	8,777	2014/2015	2015
58	Tenggaroh	Kilang Sawit Tenggaroh, 86810 Jemalung, Johor	16,812	2014/2015	2015
59	Tenggaroh Timur	Kilang Sawit Tenggaroh Timur, Karung Berkunci No. 534, 81907 Kota Tinggi, Johor	4,420	2014/2015	2015
60	Keratong 09	Kilang Sawit Keratong 09, Peti Surat 32, 26900 Bandar Tun Razak, Pahang	7,810	2014/2015	2015
61	Kechau A	Kilang Sawit Kechau A, Peti Surat 16, 27207 Kuala Lipis, Pahang	15,963	2014/2015	2015
62	Kechau B	Kilang Sawit Kechau B, Peti Surat 57, 27200 Kuala Lipis, Pahang	8,712	2014/2015	2015
63	Ciku	Kilang Sawit Ciku, Peti Surat 29, 18300 Gua Musang, Kelantan	10,796	2015/2016	2016
64	Aring B	Kilang Sawit Aring B, Peti Surat 46, 18300 Gua Musang, Kelantan	6,920	2015/2016	2016
65	Kemahang	Kilang Sawit Kemahang, Peti Surat 35, 17507 Tanah Merah, Kelantan	7,775	2015/2016	2016
66	Tersang	Kilang Sawit Tersang, 27600 Raub, Pahang	10,044	2015/2016	2016
67	Cini 2	Kilang Sawit Chini 2, 26690 Chini, Pahang	9,422	2015/2016	2016
68	Cini 3	Kilang Sawit Chini 3, 26690 Chini, Pahang	7,730	2015/2016	2016
69	Sampadi	Kilang Sawit Sampadi, Peti Surat 18, 94507 Lundu, Sarawak	7,680	2016/2017	2017
70	Air Tawar	Kilang Sawit Air Tawar, 81900 Kota Tinggi, Johor		2016/2017	2017

71	Pontian Plantation	Kilang Sawit Pontian Plantation, KM52 off Jalan Sandakan-Lahad Datu, PO Box 60525, 91114 Lahad Datu, Sabah	14,978	2016/2017	2017
1.9.2	<p>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</p> <p>All the outgrowers which supplies to Pasoh mill are planned to be in RSPO certifiable standard within three years after the mill certified. The progress of the outgrowers will be verified during the next assessment.</p>				

2.0	ASSESSMENT PROCESS
2.1	Assessment Team
2.1.1	Lead Assessor and Assessment Team
ST-2	<ol style="list-style-type: none"> Mohan Thavarajah (Lead Auditor). Mr. Mohan Thavarajah is an IRCA Lead Auditor and Lead Tutor for ISO 9001 as well as other integrated management systems (ISO 14001 and OHSAS 18001). He holds a Masters in Management of Technology from University of Technology Malaysia (UTM) and a Bachelor of Engineering from National University of Singapore (NUS). He has more than 25 years experience in engineering, managerial, consultancy, training, and auditing in the industrial sector in Singapore, Malaysia, Indonesia, Thailand, Cambodia and other regional countries. Has successfully assisted corporations to establish, implement and maintain (Occupational Health Safety) OHSAS 18001 Management System, Environmental Management System (ISO14001), ISO22000 / HACCP Food Safety Management Systems and Quality Management System (ISO9001) by providing auditing, consultancy and training in the relevant areas for various manufacturing, engineering, plantation, service and government sectors. Currently he is the Intertek Regional Certification Manager. He was a CB Team member in the stakeholder consultation and development of the RSPO Cambodian Local Indicators. He was part of the RSPO Assessment team which audited several RSPO certified Plantation Management Units since 2011. Octo HPN Nainggolan (Lead Auditor). Indonesian citizen, Bachelor of Agriculture, majoring of Social Economics of Agriculture (Agribusiness). Seven years working experience since 2004 at oil palm Plantation Company in Indonesia and followed several trainings namely: Training of Conservation of Natural and Biological Resources in supporting HCV, Basic Plantation Management Program, Plantation Integrated Pest Management training, Management System Certification (ISO 9001-2008/SNI 19011-9001:2008), Environment Management System (ISO 14001:2004), SMK3 based on OHSAS, RSPO Lead Auditors Training Course endorsed by Proforest and Wildasia, Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course, supply chain certification system training and RSPO-RED Renewable Energy Directive Lead Auditor training. Currently, he worked at Professional Certification Body. In the assessment activity, he assessed on best management practices, FFB Processing, Integrated Pest Management System, Agrochemical use and social aspect. Mohd Nizam Bin Abu Bakar (Auditor). Graduated from University Malaya with a Bachelor of Sciences with Honours (Ecology). Registered as a DOE environmental auditor EA 0012 and EIA consultant AC 0808. He had a 7 years experience on plantations as assistant manager at Asiatic Development Berhad. He had 21 years experience on auditing works on ISO 14000 Advanced EMS Auditing, Identifying Environmental Aspects & Impacts by Sirim Training Services S/B, Environmental Assessment & Management (Aberdeen, Scotland), Project Management Training Course & Train The Trainer Course (MIM) In this assessment he assessed on Environment Aspect, safety and health, good in local language. Mohd Hairimi bin Mohd Ali (Auditor). Master in Social and Environmental Impact Assessment of National University of Malaysia, experience since 2007 on preparation of Environmental Impact Assessment, certified as Erosion Sediment and Storm Water Inspector, Registered as Assistant EIA consultant. The roles for this assessment addressing for evaluating social aspect and workers regarding the Principle 6
Additional Audit	<ol style="list-style-type: none"> Octo HPN Nainggolan (Lead Auditor). During the additional assessment he verified the reduction of scope of independent "Own manage" Smallholders. Verification of coverage area which will reduce and not include in the previous scope of assessment.
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ST-2	Number of auditor : 4 auditors Number of days for ST-2 at site : 4 days Number of working days for ST-2 at site : 16 Working days
Additional Audit	Number of auditor : 1 auditors Number of days for Additional Audit at site : 1 days Number of working days for ST-2 at site : 1 Working days
2.2.2	Detail process of assessment

<p>ST-2</p>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the Pasoh Palm Oil Mill under FELDA operation that consisting of 1 (one) Palm Oil Mill: and supplied by 5 (five) estates: FELDA / FTP Pasoh 1, FELDA / FTP Pasoh 2, FELDA / FTP Pasoh 3, FELDA / FTP Pasoh 4, FELDA Titi 2 to the requirements of Malaysian National Interpretation (MY-NI) – (Including Smallholder NI Approved by RSPO Executive Board November 2010. The Baseline NI Indicators and guidance are as in Approved NI 26 April 2008) and RSPO Supply Chain Certification Standard for CPO Mill, 25 November 2011.</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) <i>interview</i>, 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 will be verified at the next assessment phase (ST-2).</p> <p>The auditor determined estate sample by using formula of $0.8 \sqrt{y}$. The sample taken was 2 estates from 5 estates. During stage 2, the sample estate taken are Felda Titi 02 Estate, Pasoh 03 Estate and Pasoh Mill.</p> <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.</p> <p>The assessment program please find Appendix 2</p>
<p>Additio nal Audit</p>	<p>The assessment was carried out for reduction of certification scope from previous initial assessment and to exclude the independent smallholders “Owm Manage Smallholders” which also in the same estate with the smallholders manage by FELDA or FTP (Felda Techno Plant).</p> <p>The auditor conducts the reduction of scope through desk review, due to on the initial assessment all smallholders already include in the scope. Observation is mainly to verified number of smallhodlers, hectarage.</p>
<p>2.2.3</p>	<p>Locations of Assessment</p>
<p>ST-2</p>	<p>Pasoh Palm Oil Mill:</p> <ol style="list-style-type: none"> Processing station (loading ramp to dispatch). Observation on crude palm oil production from fresh fruit bunch and fire emergency response on mill. Interview with mill’s officers (boiler operator, engine room operator) regarding the medical examination, operator license, payment, complaint mechanism, first aid implementation, capacity building/training, safety, the availability of personal protective equipment and mass balance model supply chain mechanism. Chemical storage. Observation on handling chemical material and interview with storage officer regarding the chemical material handling process, emergency response and implementation of Occupational Health & Safety Water Treatment Plant. Observation on clean water provision. Workshop. Observation on emergency response feasibility and availability of Occupational Health & Safety (first aid kits) and interview with welders on training, medical examination, Occupational Health & Safety implementation, safe way of working, complaint mechanism, freedom to establish association and payment Schedule waste storage waste in mill. Observation on handling hazardous material waste whether it complied regulation and interview with hazardous material storage officers regarding medical examination, handling on hazardous material waste and availability of means to handle pollution and exposure. Waste Water Treatment Plant (WWTP). Observation on industrial liquid waste management and pollution reduction handling process. Worker interviews. There some workers that the auditor interviewed and some of them are awae about OSH, sexual rights, religious rights and racial. They are well aware on the pay and contract agreement between the employer and employee. Supply chain verification. Observation and interview with the operators regarding their job descriptions and responsibilities. Ensuring the operators’ awareness on the Supply Chain System applied in the work <p>FELDA Titi.02 Estate:</p> <ol style="list-style-type: none"> Block-04. Observation of manual weeding activity according to the procedure and interview with the 4 migrant workers from India regarding the payments, workers facilities, medical screening, contract agreement and the labor

	<p>forces.</p> <ol style="list-style-type: none"> 2. Block-05. Observation of harvesting activity and interviewing the 3 migrant workers from Indonesia regarding the harvesting quota basis, payments, health and safety, health insurance, workers facilities, labor force, contract agreement and the legal permits. 3. Chemical storage and Fertilizer storage. Observation of chemical management regarding safety and health practices. 4. Chemical storage and Fertilizer storage. Observation of chemical management regarding safety and health practices. 5. Peringkat-3, Block-01. Observation of hazardous waste management on the field 6. Interview with smallholder (Peneroka) which have oil palm plantation 4 ha each regarding how the plantation have been manage and maintain, social relationship with FELDA 7. Pertang River riparian,. Observation regarding the maintainence of water source and conservation area. <p>Pasoh.03 Estate:</p> <ol style="list-style-type: none"> 1. Chemical storage and Fertilizer storage. Observation of chemical management regarding safety and health practices. 2. Block-11. Observation of harvesting activity and interviewing the 5 migrant workers from Indonesia regarding the harvesting quota basis, payments, health and safety, health insurance, workers facilities, labor force, contract agreement and the legal permits. 3. Block-24. Observation of chemical spraying activity accordance to procedure and interview with the contractor workers regarding the payments, chemical use, safety and health practice, training, medical surveillance, agreement and facilities. 4. Block-06. Observation of fertilizing activity practices and observe there was ex chemical containers abandon in the field without well manage. 5. Chemical storage and Fertilizer storage. Observation of chemical management regarding safety and health practices. 6. Smallholders Plantation (Ladang Peneroka). Observation the harvesting activity which bound with the local contractors to conducting the harvest. Interview with the contractor and the contractor workers regarding labour permit, safety and health (PPE use and availability), insurance, minimum wage and payments. <p><u>1st day (29 September 2014)</u></p> <ol style="list-style-type: none"> 1. Palm Oil Mill Pasoh. <p>Observation including documentation review and interviewing to several staff of Palm Oil Mill such as workers, labour union, gender committee and the personal in-charge related to the principles 6 and its indicator requirements that had been implemented.</p> <p><u>2nd day (30 September 2014)</u></p> <p>Pasoh-3 Estate. The estate was managed by FELDA Techno Plant (FTP) for the settlers (or Peneroka's) palm oil land and FELDA for controlling the settlers managed their owned land.</p> <p><u>3th day (October 1st, 2014)</u></p> <p>Pasoh-3 Estate. The estate was managed by FELDA Techno Plant (FTP) for the settlers (or Peneroka's) palm oil land and FELDA for controlling the settlers managed their owned land.</p> <p>Stakeholders consultation to external stakeholders (Government institution, contractor and smallholders)</p>
2.3	Stakeholder Consultation and List of Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
	<p>Summary of stakeholder consultation process</p> <p>Consultation of stakeholders for Pasoh Mill – Felda Global Ventures, FELDA was held by: Public Notification 30 days before the initial assessment (29 August 2014) and uploaded on RSPO, company and certification body websites</p>

	Public consultation meeting with internal stakeholders by interviews and local stakeholders (government institution, contractors and villagers) conducted by visits to villages and interviews with local peoples including the smallholders (Peneroka) on 1 October 2014. Numbers of input from stakeholders were clarified by the management units Please see table 3.6
2.3.2	List of stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Visiting
	The next visit (Surveillance-1) will be determined nine to twelve months after the management unit held the certificate.

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Pasoh Palm Oil Mill under FELDA operation that consisting of 1 (one) Palm Oil Mill: and supplied by 5 (five) estates: Pasoh-01 Estate, Pasoh-02 Estate, Pasoh-03 Estate, Pasoh-04 Estate and Titi-02 Estate

During the assessment, there were five (5) Nonconformities were assigned against Major Compliance Indicators; six (6) nonconformities were assigned against Minor Compliance Indicators; and eight (8) 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 actions that had been reviewed and accepted by Auditors in form of documentation evidence. Those corrective actions taken that consist of five (5) Major non-conformities and four (4) Minor non-conformities had been closed out and shall be verified during next assessment.

MUTUAGUNG LESTARI found that Pasoh Palm Oil Mill - FELDA operation complied with the requirements of **Malaysian National Interpretation (MY-NI)** – *(Including Smallholder NI Approved by RSPO Executive Board November 2010. The Baseline NI Indicators and guidance are as in Approved NI 26 April 2008)* and **RSPO Supply Chain Certification Standard for CPO Mill, 25 November 2011.**

Therefore MUTUAGUNG LESTARI Auditors recommend RSPO Certification of compliance to be **issued**.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Plantation and Palm Oil Factory have to give adequate information for stakeholders in appropriate language and forms, to ensure the effective participation of stakeholders in decision-making.	
	The audit findings show that all records of request information regarding the RSPO criteria to external stakeholder such JKPP and DOE are in order and documented in (Buku Aduan and Buku Lawatan). A set of a stakeholder booklet are available for public to review and also displayed at the main board at Pasoh Mill, Felda Pasoh 3 and also Felda Titi 2. The available policy also displayed at the main board and easy to access by the public. The available policies are signed by Datuk Faizoull Ahmad (1/6/2014). There is evidence and records of stakeholder consultation, list of attendance, questionnaire at Pasoh Mill, Felda Pasoh 3 and Felda Titi 2.	
	Status: Full compliance	
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.	
	The Management documents for Felda Pasoh POM and estates that are publicly available are as follows: <ul style="list-style-type: none"> a) Land Titles (From Pahang / Johor State Governments and records available at respective state Land Offices) b) Safety and Health Plan c) Social Impact Assesment d) HCV Identification & Biodiversity Management Plan e) Complaint and Grievance SOP f) Mechanism of Negotiation SOP g) Continuous Improvement Plans h) EIA Report 	

Additional Management documents for Felda Pasoh POM and estates that are publicly available, are as below:

- 1) Code of Ethics and Integrity Policy
- 2) Human Right Policy

The available documents are Land Title/ Hak Mengusahakan Tanah, Health and Safety Plan, HCV Report, SOP for Complaint and Grievance (Prosedur Menangani Aduan dan Rungutan ML-1A/62-PR4), SOP for Mechanism of Negotiation (Prosedur Komunikasi dan Rundingan ML-1A/L2-PR 3 (0) and Buku Aduan dan Rungutan and Fail Lawatan Badan Berkanun.

There is external parties JKPP has requested a SOP for Safety and Health Plans according to an accident on Shahrizan bin Mahmud (Malaysian) on 5 December 2013. Also, DOE officer requested a scheduled waste inventory for Pollution Prevention Plans. The management has replied and shows the report and the document to the both external parties and been recorded.

Status: Full Compliance

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

2.1

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

A legal register covering applicable local and international laws and regulations is found to be available at the Felda PASOH Mill and estates. The relevant legislations identified and listed were among others :

Licensing / permits , safety & health and environmental management eg: MPOB license , Factories and Machinery Act 1967, Occupational Safety and Health Act 1994, Environmental Quality Act 1974, Fire Services Act 1988, Poisons Act 1952, Employee Social Security Act 1969 (SOCSO), Employees Provident Fund (EPF), Employment Act 1955 and Industrial Relations Act 1967.

Licenses for MPOB was available dated 01/04/2014 validity until 31/03/2015 - POM PASOH.

Licenses for MPOB was available dated 01/03/2014 validity until 28/02/2015 – Estate PASOH 03.

Licenses for MPOB was available dated 01/05/2014 validity until 30/04/2015 – Estate TITI 02.

In addition, land titles demonstrated compliance to land regulations including land use for palm oil agriculture.

However, Evaluation of compliance was not updated at Pasoh 03. Major nonconformance (CAR 2014.01) was raised

Observation 26 November 2014

Root cause:

No enforcement of the management plan.

Corrective action:

- 1) Update "Checklist Local Law" and "Checklist of International Law" by ensuring the review date and name of the officer checking on record and signed by the officer reviewer.
- 2) Make sure all Status of Compliance should be marked "√".
- 3) If there is non-compliance, the need for action to comply with such laws.
- 4) Get the whole program Grant / Grants News / letter of ownership.
- 5) There was appointed officer through document of **“Lantikan Bagi Mengemas kini Borang Pematuhan Undang-Undang”** .

Preventive action:

Managers will monitor and issue a letter of formal instructions to the officers responsible for updating the list of legal compliance, also review should be done whenever there is a change and at least once a year

Auditor conclusion:

The management unit has shown the evidence in the form of photographic and records to the auditor team. The evidences are available. **Major nonconformance (CAR 2014.01) is closed.**

The Felda PASOH PMU has established and implemented a documented system for determining, reviewing and updating applicable legal requirements. It included the listing of laws and regulations that encompass safety, environment and labour legal requirements, among others. Stakeholder Interview with office staff, field workers of the Felda PASOH PMU as well as scheme smallholders confirmed that Felda PASOH PMU has established a register of relevant legal requirements which includes written information on safety, environment and labour legal requirements, among others.

However, the FGV RSPO documentation could enhance the description of the control mechanism for establishing and updating of the legal register, associated licenses / permits as well as evaluation of compliance checklists related to RSPO requirements. **This was raised as an opportunity for improvement.**

The evaluation of compliance checklist maintained at respective management units is the established implementation mechanism for evaluation of compliance against the applicable legal and statutory requirements. Stakeholder interview with office staff, field workers and scheme smallholders of the Felda PASOH PMU confirmed that Felda PASOH PMU has established and implemented a documented procedure which includes written information on and compliance with legal and statutory requirements.

Felda PASOH PMU has a system of tracking of changes in the relevant laws and statutory requirements that are communicated and received from Felda HQ based in Kuala Lumpur (KL). Monitoring of changes to the applicable laws and statutory requirements is carried out through periodical review in accordance with Felda's documented requirements. Changes in laws are disseminated by the PSQM Department in KL HQ to all the various PMUs throughout East and West Malaysia..

2.1.1	Status: Non conformance 2014.01 with major category - condition closed
2.1.2	Status: Opportunity for improvement

**2.2
The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights**

Felda PASOH PMU was able to demonstrate ownership of land titles of mill and estates within the PMU. The original copies are maintained by the Felda Corporate Head office in Kuala Lumpur. The legal use of the land was confirmed to be for of oil palm mill and cultivation use for estates . Based on the field observations, interviews and review of records at the PASOH mill and estates, there was evidence in the form of available records to show that the land lease complies with legal requirements and does not infringe on any legal rights that require free, prior and informed consent.

The lands were leased by Felda PASOH from the Negeri Sembilan State Government with the right to develop it for oil palm plantations or agriculture use. The legal use of the land by Felda PASOH PMU was confirmed to be for cultivation of agiculture - palm oil. Stakeholder Interview with local employees of the Felda PASOH PMU and scheme smallholders confirmed that the lands were leased by the Felda PASOH PMU from the State Government for the purpose of developing the land for oil palm plantations and this is adhered to by the Felda PASOH management. Based on the field observations, interviews and review of records at the Felda PASOH mill and estates, there was evidence in the form of available records to show that the land lease complies with legal requirements and does not infringe on any legal rights that require free, prior and informed consent.

There were boundary stones / markers along the perimeter of Felda PASOH POM , PASOH 03 Estate and TITI 2 Estate which were sampled in this initial audit. Locations of several boundary stones and/or pole markers were visited and verified to be within the boundary parameters of the estates.

However, the boundary marker maintenance checklist including location of boundary posts were not updated by estate PIC of PASOH 3 and TITI 2 estates. **Minor nonconformance (CAR 2014.02) was raised**

There is a documented Felda procedure ML-1A/L2-PR4 for handling and response to land disputes and customary rights as well as for PROCEDURE ML-1A/L2-PR13 calculation and distribution of compensation. However, there have been no land disputes in the Felda PASOH PMU to date . Stakeholder interview and field interviews revealed that there have been no land disputes in the Felda PASOH estates.

2.2.3 Status: Non conformance 2014.02 with minor category

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.

No cases of land claims or disputes in this Felda PASOH PMU. As such, this process is presently not applicable for this initial audit. Stakeholder interview with field staff, workers, and scheme smallholders of the Felda PASOH PMU revealed that there have been no land disputes in the Felda PASOH PMU. In addition, based on the field observations at the Felda PASOH Estates, was verified that there have been no land disputes in the Felda PASOH PMU.

Status: Full Compliance

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 management units of Felda PASOH PMU including PASOH POM and sampled estates as below have established annual budgets in order to facilitate long term economic and financial viability.

The annual budget was projected as follows:
 POM – Budget projection until 2019
 Estate PASOH 03 Budget projection until 2017
 Estate TITI 2 Budget projection until 2017

Annual replanting programme has been projected from FY2014 - FY2019. No replanting activities are envisaged for this period for all of PASOH PMU estates. Annual replanting programme has been projected from FY2014 - FY2019. No replanting activities are envisaged for this period for all of PASOH 03 and TITI 2 estates. From interview with Felda Holding Manager and FTP Manager, it was verified that there are no annual replanting planned from FY 2014- FY 2019. All Felda Pasoh PMU estates have no replanting activities currently .The next replanting program for and Pasoh 03 and TITI 2 is expected to be from 2025 onwards.

Status: Full compliance

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

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

FELDA Pasoh complex have been able to show Procedure and Manual for operating the mill, for example Manual Operasi Kilang Sawit for each station in the process of palm oil production from weighbridge to storage, Manual for Laboratory (sample tacking, laboratory use tool, chemical material provision, calibration, determination, water analysis) and Occupational Safety and Health Procedure (general safety, loading ramp, press operation, etc). For the estate procedure called *Manual Ladang Sawit Lestari* establish on 1 June 2012 start from Nursery, replanting, immature plant maintenance, mature plant maintenance and harvesting, upkeep (fertilizing and quality monitoring). During the office visit to the mill and estates the documented procedures were available in Bahasa Malaysia and have been communicated to scheme members through meetings. FELDA management team also periodically recorded the field inspection and verification related to fertilizer application, pest and disease control, weed upkeep and the agronomic reports. On the mill operations supported by regular preventive maintenance and scheduled inspection

Through interview and document review in the estate the managers and field staff revealed that they were understand and conversant with the operations manual and there were shown the upkeep and harvesting records documentation of **Rekod Kerja Integrasi Sawit** and **Buku Rekod Kerja tahun 2014**. The mill also visited by group mill advisory every semester and the last visit was conducted on 13-14 August 2014. All the records were well maintained. During the mill site visit to Loading Ramp station it was shown the workers have following the FFB quality acceptance procedures and on Central Room Operations visit the operator have recorded the process activity in the *Inverter Continuous Sterilizer* document. In the mill the preventive maintenance under the maintenance division which supported by mechanical and electrician to ensure all the operation process capability is well and safe, all the inspections are conducted and recorded in *Buku Rekod Kerja Harian* on daily manner.

Status: Full compliance

4.2

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

FELDA Pasoh complex have been annually implementing the fertilizer use to increasing productivity, several fertilizer use are NK mixture 24, Kieserite, Rock Phosphate. The fertilizing implementation applied also by inserted the fertilizer (especially the NK mixture) into the soil to prevent the bleaching.

The effort made by the management unit to maintain and increase fertility is by regular manuring activities realized achieves 100% according to the recommendations in 2013. Not all the area in Pasoh-03 estate manages by FELDA or FELDA techno Plant, several smallholders' areas are manage by them (individually), however FELDA Pasoh-03 still responsible inform to all the smallholders about fertilizer recommendation from the leaf and soil sampling analysis.

There was evidences of leaf sampling and soil sampling records annually for monitoring the the soil nutrient and plant which conducted by *Felda Agriculture Services Department*, for example the sampling taken on 2 January 2014 for year 2015 fertilizer recommendation for FELDA/FTP Pasoh-03. All the records are well kept by the management units.

Based on document review and field observation there was no application of Empty Fruit Bunch application and Land Application due to the EFB is burn by the mill the processing and the mill effluent is discharge into the river. FELDA Pasoh complex also implementing the zero burn replanting, however during the assessment there was no replanting activity since 2002

Status: Full compliance

4.3

Practices minimize and control erosion and degradation of soils.

There is a clear erosion control policy prepared by FELDA and FGV endorsed by the CEO on 1/6/2014. Management Plan and Implementation Plan were prepared at Estate and Mill level. BMPs evidence such as terraces construction for replanting, Legume cover crop planting and silt pit construction were some of the effort shown by FELDA in minimizing erosion issue.

Status: Full compliance

4.4

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

As for the Mill good practices have been ongoing activity with proper drainage system, adequate waste water treatment system as well as routine water quality monitoring before discharging into natural water course. Similar to estates, protecting bare soil surface is an added advantage to retain soil fertility as well as preventing water pollution of natural water courses.

However, estates have not started with water quality monitoring programme. Management should prepare the periodic monitoring programme, request for the budget and finally implementation.

Minor non-conformance (CAR 2014.3) was raised

4.4.7 **Status: Non conformance 2014.03 with minorr category**

4.5

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

FELDA Pasoh complex provide the pest management technique in procedure of *Pengawalan Ulat Pemakan Daun (UPD) di Ladang Sawit and Prodeur Penanaman Tumbuhan Berfaedah Untuk Kawalan Jangka Panjang Ulat Pemakan Daun* which explain how to control the oil palm tree caterpillar with cultural, biology and chemical concepts. The procedure also explain the mechanism of beneficial plant to increase the population of caterpillar natural enemies.

The major pest is rats in old palms and oryctes in young palms. During the field observation showed the management unit using barn owls for control of rats and beneficial plants (*Turnera subulata* and *Cassia cobanensis*) on roadsides.

During the field observation to Pasoh-03 and Titi-02 estate showed the management unit using barn owls for control of rats and beneficial plants (*Turnera subulata* and *Cassia cobanensis*) on roadsides. Based on the interview with the management unit representative known that the major pest that is present is rat and controlled with the chemical pesticides. During the document review revealed that the management unit have not shown evidence of Integrated Pest and disease Management monitoring implementation (exmp: rat attack, caterpillar, *ganoderma boninense*)

Non conformance 2014.04 with minor category

Based on interview with the FELDA Titi-02 management the implementation records of pesticides use for controlling the rat attack is only the amount of the pesticides use, however not describe the location application. The estate management units have not shown evidences of all pesticides use location area information.

Non conformance 2014.05 with minor category

The estates management units have not shown the evidences of active ingredients pesticides usage per hectare records and monitoring. **Non conformance 2014.06 with minor category**

	Status:	
Minor 4.5.2	Non conformance 2014.04 with Minor category	
Minor 4.5.3	Non conformance 2014.05 with Minor category	
Minor 4.5.4	Non conformance 2014.06 with Minor category	

4.6

Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorized as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.

The chemical weeds control information such as dosage use, type of active ingredient use according to type of weeds contain in procedure of *Manual Lestari 1A* number ML-1A/L3-GP1 (0) about justification of chemical use. The units also have working instruction which guide the chemical mixing, quantity of chemical use and also the safe working practice.

Policy of Paraquat use on 1 June 2014 by FELDA and FGV document no.97/143-H which informed:

The reducing and stopped the application based on consideration of: The *paraquat* only uses for the young palm (0-3 year) and prohibited for the old palm, the alternative of the replacing the *paraquat* pesticides have to implemented.

All the pesticides use by the estates have been registered in *Senarai Racun Berdaftar MPOA April 2007. Approved List of Pesticides Registered for Oil Palm (wef April 2007)* "this is to inform that the latest list of pesticides for use in oil palm (food act 1983) is enclosed herewith, Members are advised to use ONLY pesticides which are approved by the Pesticides Board as well as the Food Act".

Pesticides use by the unit are ACTION 13SL (a.i. paraquat dichloride), JURU 20F (metsulfuron methyl), CHALLENGE & ECOMAX (glyphosate isopropylamine), GARLON MIX & BASTA 15 (glufosinate ammonium).

During the assessment audit team also check the chemical storage and found all the herbicides are comply with the registered list.

The letter from MPOA – Malaysian Palm Oil Board dated 30 October 2007 No.33/2007 regarding **Used HDPE Pesticides Containers Recycling Programme** related Pesticides containers which have been triple rinse are not categorized as Scheduled Waste and can be recycled.

The Guidelines:

- ❖ The National Recycling Program (Recycling of Used HDPE Pesticides Containers) is under the Department of Agriculture. MPOA is a member of the main committee
- ❖ Recycling activities are driven by state level sub committees which are chaired by the respective State

Directors of Agriculture

- ❖ All pesticides containers are scheduled waste, however pesticides containers triple rinsed under this Recycling Program are exempted from scheduled waste classification and therefore could be recycled
- ❖ To be formally included in this Recycling Program, MPOA branches will have to invite the officers to attend their sub-committee meeting

During the field observation auditor have sight non conformances of the implementation and have not meets the regulatory requirement for example spill containment, labeling, separation and safety tools,:

1. Pasoh-03 estate (smallholders/Peneroka) auditor found ex-pesticides containers disposed in the smallholders/settler's own managed land and not properly stored or managed.
2. In the chemical storage area of FELDA/FTP Pasoh-03 and FELDA Titi-02 estate there was no chemical labeling, chemical separation from non chemical and no spill containment.

Major non conformance (CAR 2014.7) was raised.

Observation on 14 Januari 2015.

Root cause:

- ❖ Lack of enforcement in the estate management on compliance and storage controls of the toxic container and also the containers that have been used.
- ❖ The land owner lack of knowledge pertaining to ex container pesticide manageable
- ❖ No chemical labeling and spill containment at chemical storage area

Corrective action:

- 1) Provide training to clerks, foremen, workers and settlers related storage, use and handling of pesticides and pesticide containers disposal
- 2) Ensure premixing water flowed into the Sump reservoirs built.
- 3) Putting pesticides in stores by Class and Label poison.
- 4) Provide Spill Containment in store toxins.

Preventive action:

Agricultural Officer and Officer will make a visit OSHA area management review and barrels of toxic pesticides regularly.

Auditor's conclusion:

The management unit has shown the evidence of pesticides use training and installation of Water disposal of premixing in the form of photographic to the auditor team. The evidences are available. **Major non conformance (CAR 2014.7) is closed.**

Inspection to chemical storage in the mill and estates audit team found:

- ❖ Pasoh mill water treatment plant found the MSDS available in language which not understands by the operators.
- ❖ Pasoh-03 chemical storage and Fertilizer sotrage found there was no **Material Safety Data Sheet** available.
- ❖ FELDA Titi-02 chemical storage and Fertilizer sotrage found there was no **Material Safety Data Sheet** available.

Based on the interview with the chemical storage officer in the mill and estates, revealed that they do not understand the language use in MSDS.

Major non conformance (CAR 2014.8) was raised.

Observation on 14 January 2015

Root cause: (filled by client)

- ❖ Overlook about the implementing of MSDS in chemical and fertilizer store.

Corrective action:

1. The management unit of Pasoh Complex (mill and Estate) provides the awareness of MSDS to appointed officers (Pothographic evidence and attendance list available).
2. MSDS patch at chemical and fertilizer store and understood by workers involve in chemical and fertilizer.

Preventive action:

Monitor, maintain and update the MSDS according to the chemical use in estate and mill.

Auditor conclusion:

The management unit has shown the evidence of MSDS patch in the place which chemical is use and the awareness to the appointed officer in the form of photographic to the auditor team. The evidences are available. **Major non conformance (CAR 2014.8) is closed.**

Available of documentation on **Program Kesehatan Dan Keselamatan JCC Pasoh** complex which conducted on 11 September 2014 located in Dewan Besar Felda Pasoh 1 attended by 116 participants for example from FELDA Titi-02 Estate, however management unit representative of Pasoh complex Estate inform that they have not aware if contractor workers have not following the medical surveillance.

During the field check to FELDA/FTP Pasoh-03, block-24 auditor have interview the contractor workers which conducting the spraying activity and known that the workers have not following the medical surveillance

The management units have not shown the evidence of medical surveillance to all workers which applied with the chemical (spraying, manuring).

Major non conformance (CAR 2014.9) was raised.

Observation on 14 January 2015**Root cause:**

Less concern on the implementation of estate management for medical surveillance requirements

Corrective action:

Send the workers which applicate with the chemical undergo the medical surveillance. Evidences show the workers have been checked in the health clinic (KELINIK RAJA).

Preventive action:

Agricultural Officer and Officer OSHA will visit the region to ensure medical surveillance review was conducted to involve as stated in the CHRA.

Auditor's conclusion:

The management unit has shown the evidence of health assessment of the chemical sprayer in the form of photographic of the examination result to the auditor team. The evidences are available. **Major non conformance (CAR 2014.9) is closed.**

Based on document observation and field inspection there are only males workers employed as pesticides sprayers at FELDA/FTP Pasoh-03 and FELDA Titi-02 Estates, however the units have a policy and announcement regarding Women Workers Agrochemical Control ("**Pengendalian Agrokimia oleh Pekerja Wanita**") publish on 4 June 2014 explain the prohibition to pregnant and breast feeding female workers to conducting the work with chemical and will be replace with other activities.

In Pasoh Mill there is **sample of** notification from Mill Manager on 10 April 2013 Letter No.(77) 4013/PASOH/840/1 to Female workers (Krani Umum/general administration) regarding **Pengendalian Bahan Kimia Oleh Pekerja Wanita / Chemical Use Management by Female Worker** which explaining restriction to work with chemical use if pregnant or breastfeeding.

However written documentation on SOP / policy of the pregnant and breastfeeding women workers documentation should be provided by the management units. **This was raised as an observation/Opportunity for improvement**

The estates management units of Besout-01 and Besout-07 have shown the evidence of there was no **World Health Organisation Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions** are use, however the units use the *Paraquat* a.i to controlled the weeds in the operational area. Based on the chemical stock card the units have shown the reducing of the *paraquat* from year 2012 until 2014 and programming to reduce the application.

There is no evidence of aerial spraying carried out by the management unit.

Based on interview with the FELDA representative, there is no buyer has yet requested CPO testing for chemical

residues.

Based on the interview with MU of FELDA Titi-02 estate the chemical spraying activities were handled by the contractor and the actual of application record cannot be shown. The estates management units have not shown the evidences of active ingredients pesticides usage per hectare records and monitoring.

Minor non conformance (CAR 2014.6) was raised.

	Status:	
4.6.3	Non conformance 2014.7 with major category – condition closed	
4.6.4	Non conformance 2014.8 with major category – condition closed	
4.6.5	Non conformance 2014.9 with major category – condition closed	
4.6.6	Observation/OFI	
4.6.10	Non conformance 2014.6 with minor category.	

4.7

An occupational health and safety plan is documented, effectively communicated and implemented.

There is a Policy regarding the Safety and Health for Workers signed by Datuk Faizoull Ahmad (1 Julai 2013), evidence shows that there is a related document for OSHA implementation at the Mill and Estate :

1. Prosedur Kerja Selamat
2. Manual Prosedur Sistem Pengurusan Kualiti Keselamatan Kesihatan Pekerja dan Alam Sekitar QOSHE.
3. HIRARC
4. ERP

A report for monthly safety at Pasoh Mill (11) ESH-PQSM/FGVPM/FPI/PASOH/02 and there is an accident are recorded and action has been taken. All related document for health and safety plan are well documented and implemented based on the requirement.

OFI # 4.7.1 Continual improvement of OSH plan including more prominent safety signage should be implemented to improve awareness of contract workers and mill's own workers in the mill area –including designation of smoking areas.

OFI # 4.7.2 The recording method for accidents should be enhanced to ensure that they are captured effectively in the Safety Committee files and record books.

Hazard Identification, Risk Assessment and Determining Control (HIRADC) register list developed for palm oil mill and all estates. The HIRADC covered the relevant processes/areas/equipment such as Steriliser, Boiler, Press, Bilik Minyak, Kernel Plant, Loading Ramp, Effluent Treatment, Workshop, Laboratory, Prime Mover, Gen Set, BTS collection, Pruning, Fertilising, Chemical storage area, Maintenance, Pesticide handling, Road maintenance, etc. Operational control was defined for identified significant hazard and proper operational control activities observed during the audit.

The Safety and Health Committee was established for palm oil mill and all estates according to statutory requirement. Minimum quarterly meeting is conducted for discussion of occupational health and safety issues. Safety and Health meeting minutes were observed with attendance from chairman and relevant department PIC observed. The committee members have consistently monitored, documented work accidents/ incidents and complied with statutory reporting requirements to DOSH.

Regular inspection for specific machinery conducted by DOSH as per pre-determined time frame. Certificate of fitness was observed and still within the validity period. Competent personnel were appointed for specific processes such as boiler and sterilizer operations. During the assessment the auditor have sight the workers which work in the high noise level station are provided with hearing protection devices and also regularly once a year to follow the audiometric test.

Emergency Response Procedures are available, which covers Chemical Spillage and Fire Outbreak. Handling of emergency situations is well defined in the relevant procedures. Fire drill conducted on yearly basis is observed.

Fire outbreak occurred at rejected palm oil mill BTS area. Root cause analysis and corrective action was proposed, implemented and observed.

Relevant initial and monitoring test conducted according to identified significant hazard and statutory requirement such as CHRA report, Chemical Exposure report and initial noise monitoring test. Recommendations from the test report

followed and relevant monitoring test such as baseline audiometric test and medical surveillance was conducted for relevant personnel.

4.7.1 **Status: Observation/OFI**

4.7.2 **Status: Observation/OFI**

4.8

All staff, workers, smallholders and contractors are appropriately trained.

There is an evidence of training has been made at the Pasoh Mill, Felda Pasoh 3, and Felda Titi. The document is :

1. Document record for the training to all staff, workers, small holders and contractors in FPI/L4/QOSHE 5-1
2. Training for Accident and First Aid with Local JPAM and Fire Drill with BOMBA at Felda Pasoh 3.
3. PPE Training, Introduction to First Aid and Cardio Pulmonary Resuscitation, and Training for Chemical Handling and PPE for Staff at Felda Titi.02.

Status: Full compliance

PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity

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.

Both estate and mill have a documented aspect and impact for initial stage. Improvement plan is still at the beginning stage. In the next stage, management team should implement the prepared plan and monitor the effectiveness through routine surveillance and record.

Pasoh Palm Oil Mill was certified with ISO 9001, ISO 14001 & OHSAS 18001 since year 2011. Maintenance of certification is observed and under SIRIM QAS certification.

Quality Planning, Hazard Identification, Risk Assessment, Determining Controls and Environmental Aspects procedure was developed for Neram Oil Mill with the detailed description of evaluation criteria stated.

Environmental Aspect & Impact (EAI) register list developed for palm oil mill and all estates. The EAI covered the relevant processes/areas/equipment such as Transportation of FFB, Boiler, Incinerator, Effluent Treatment, Workshop, Diesel Storage Tank, Scheduled Waste Store, Spraying pesticide, Pruning, platform erection, electricity generation, diesel handling process, Pruning, Grading of FFB etc.

Significant environmental aspect and impact identified and mitigation plan proposed for impact reduction purpose. Environmental objective and target performance reviewed on yearly basis during management review meeting. Continuous improvement plan for reducing BOD < 75ppm observed for year 2014. Several improvement actions planned:

- a) Control output MRE/BTS < 45%
- b) Continuously implement the anaerobic digestion according to SOP
- c) To de-sludge at least 5 pond for year 2014.
- d) To change membrane for treatment plant.

Change of membrane was observed during the mill site audit. Achievement of environmental objectives was discussed during the management review meeting.

Status: Full compliance

5.2

The status of rare, threatened or endangered species and high conservation value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and their conservation taken into account in management plans and operations.

Management unit of Pasoh Mill and supply bases (FELDA/FTP-01, FELDA/FTP-02, FELDA/FTP-03, FELDA/FTP-04, FELDA Titi-2) have conducted Identification and Assessment of HCV habitats and protected areas in document of **“Laporan Pengenalpastian HCV (Hutan Bernilai Pemuliharaan Tinggi) & Pelan Pengurusan HCV & Biodiversiti”**. The identification was held by **Jabatan PSQM, FELDA Global Ventures Plantations (M) Sdn. Bhd.** (Amir Hamzah

Dollah@Abdullah which te report finished on 25 September 2014. During the identification the assessors conducted the stakeholder's consultation on 24 September 2014, the records were well maintained and available, however there were several important information as follows (but not limited to) need to be improve: the team members and their qualification, basic biophysical data such as: land cover map, river and conservation area, slope map. **This was raised as an observation/Opportunity for improvement**

The report of HCV identification also contains the HCV management plan for the neares river in the area of Pasoh complex (Pertang River, Barung River, Serting River and Sebalang River) such as: demarcation of riparian area boundary in accordance to the guidance from DID, Monitoring of river reserve area, dissemination to the workers and settlers, Marking on the map and in the field, monitoring of compliance to the prohibition, awareness and extension to the stakeholders by forestry officials, and put signboard on the hunting prohibition .

To support wildlife conservation and avoid illegal hunting, the management unit of Pasoh complex has undertaken several actions such as: Installation of hunting prohibition signboard at in access road, socializing wildlife protection to the stakeholder through consultation and communication, and notification wildlife hunting prohibition to the settlers.

5.2.1 **Status: Observation/Opportunity for improvement**

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

Estate and Mill wastes are properly recorded, recycled within the estate activities such as fertiliser bags, chemical containers and diesel drums. Scheduled waste was properly managed and disposed according to DOE regulation. As for domestic waste, proper collection system in place but needs further improvement for disposal. **This was raised as an observation/OFI**

Monthly testing and monitoring of effluent samples was carried out as per DOE recommendation. During field visit to estates, observed that no record of Management Plan was found in the file. EFB application was not observed in the field. However, interview conducted with management team informed that EFB application is targeted to be carried out in October 2014. **Minor non conformance (CAR 2014.10) was raised.**

5.3.1 **Status: Observation/Opportunity for improvement**

5.3.3 **Status: Non conformance 2014.10 with minor category.**

5.4 Efficiency of energy use and use of renewable energy is maximized.

Renewable energy in mill consists of boiler usage to generate electricity for processing use. Source of energy includes, Fibre [record of fibre usage in /MT CPO]. Monitoring of fossil fuel such diesel and lubricant available on monthly basis. Record is include with total monthly FFB received and total fuel usage in litre. As for the estates, FELDA management needs to plan a bigger scale of biomass energy production plan. Biomass is abundant source for fuel burning for electricity generation.

Status: Full compliance

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.

Pasoh PMU has a clear policy on Open burning prohibition signed by the CEO. Both Estate and Mill management team are aware of their responsible and commitment. Implementation was observed in replanting activity where zero burning was strictly enforced. Open burning warning sinages were seen in the field

Status: Full compliance

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

There are environmental aspect and impact assessment for mill and estates. Mill effluent final discharge are drain to river with the specification of BOD limits at <100 ppm approved by DOE as to avoid water contamination of surface and ground water. Pollution mitigations plan is documented in the Improvement Plan. Implementation was done partially and will be continued in future.

Based on the agronomist report, there isn't any peat land in all the estates visited.	
Status: Full compliance	
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.	
<p>The documented social impact assessment (SIA) had been established for the all estates including the Palm Oil Mill (POM) Pasoh. The latest SIA assessment has been done through questionnaire (RSPO 3650/1-4-2) 9/9/2014 for internal and external stakeholder for duration for 2014 and 2015. The SIA documentation involved the affected parties as internal and external stakeholders. The internal and external stakeholder involved was held through the questioners, evaluating and providing the action plan for mitigating and monitoring based on the questioners that completed by stakeholders.</p> <p>Based on observation and interviewing in Palm Oil Mill Pasoh, Pasoh.02 Estate and Titi.02 Estate to the company staff, they showed the meeting records of stakeholders related to the palm oil and plantation activities against the social impact assessment which had been done. The stakeholder comments had been gathered by questioners to find the information of positive and negative impact to communities or social aspects and then the company established the action plan for improvement.</p> <p>The Stakeholders records meeting at Felda Pasoh 3 and Pasoh Mill.had been showed and also the attendance list of communities in sites and out sites of the scope areas, internal and external workers incl. migrant workers, teachers, Settlers (Peneroka or farmers), contractors, government agencies, and other interested peoples.</p> <p>There was identified the negative and positive impact from the company activities and these impact consists of the accessibilities to the areas of FELDA (Estates and Palm Oil Mill), educational and healthy facilities, communication and transportation, the religions and cultural and also the possibility of extra incomes. The identified of social impact assessment was provided through the action plan in time frame and defined the personal in charges for their monitoring the progress.</p>	
Status: Full compliance	
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.	
<p>The company had showed the communication and consultation procedure (ML-1A/L2-PR3 issued March 2012). This procedure was valid for Estates and Palm Oil Mill and had been distributed and controlled and available on sites. The method of communication by directly meeting, written letter and also announcement to the all stakeholders. The procedure also managed regarding the complaint from external and internal stakeholders and the response for conclusions</p> <p>There was personal who had been appointed by Mill management (dated on Sept 1, 2014) related to responsible implementing the procedure of communication and consultation (ML-1A/L2-PR3 issued March 2012).</p> <p>The record for external stakeholder meeting held by JCC at Pasoh 3 and Felda Titi 2 on 24 and 12/09/2014. Based on the observation there is transparent method for communication and consultation shows in the document.</p>	
Status: Full compliance	
6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.	
<p>There was a procedure for handling or managing complaint (internal and external) namely ML 1A/L2 PR4 issued March 2012. This procedure mentioned regarding the steps of process to handling the compliant that consist of step-1 discussion to local personal in charged (eg. Each estates and POM), step-2 discussion to head of section, step-3</p>	

discussion to Management Unit or manager, step-4 Head Quarter in Kuala Lumpur, and Step-5 Government Agencies that managing the Human Resources in KL. All of these steps should not follow in sequences as above, but hope enough in the level if local persons

Observation at At Felda Pasoh 3 there is complaint book established. At Felda Titi 2, there is a latest complaint that been made by the foreign workers and the corrective action are made by the management.

Based on interviewing to the stakeholders internal and external to palm oil mill and estates workers under FELDA, gender committee, settlers owned land managed by FELDA Techno Plant (FTP), settlers that managed their owned land, local peoples or Head of Kampung they informed that FELDA opened for communication if any compliant and there was box complain in each estates and also in the Palm Oil Mill. The management unit also showed the book recording for the any compliant entered to the estates and/or palm oil mill complain or claiming book.

Status: Full compliance

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.

FELDA is the government agency which founded to manage the resettlement of farmers (given by government or Kerajaan) and developed areas and to organize smallholder farms of palm oil plantation; and also managed the government's land for palm oil plantation. There was clear for all the land ownership under FELDA managing which had no need compensation regarding the land status or the customary rights. However FELDA has established the procedure for customary rights ascertainment (ML-1A/L2/PR12 (0) issued March 2012. This procedure for managing if any issues of land ownership and customary rights and will be managed by the step of process that consists of

- Raising Issues
- 1st discussion (if resolved will be closed) and if not closed will be continued
- Referring to Regional Administration for approving the problem
- Negotiation process (if resolved will be closed) and if not closed will be continued
- Referring to accredited parties and negotiation process (if resolved will be closed) and if not closed will be continued
- Referring the legal authorities and processing the issues

There was no occurred the compensation regarding the land ownership and/or customer rights issues, but the company (FELDA) has procedure for compensation calculation (ML-1A/L2-PR13(0) Issued March 2012. In the procedure mentioned that the resolution will be processed with the involved parties regarding the issues raised and based the negotiation the compensation will be given in accordance with the calculating of compensation and all of negotiation will be involved the government agency such as Pejabat Tanah dan Jabatan Kemajuan Orang Asli (or the land government agency and the origin communities government agency).

Based on interviews with Felda staff on three sites (Felda Pasoh POM, Felda Pasoh 03 Estate and Felda Titi 2 Estate) and information from external stakeholders around the area managed by the Felda – Pasoh POM, there are not area was control by indigenous rights and there are not compensation claims. The lands are managed by FGV has been set by the Malaysian Government in early the company began to operates.

Prosedur ML-1A/L2-PR13 PROSEDUR PENGHITUNGAN DAN PENGAGIHAN PAMPASAN

Based on documents verification, information from staff of plantation and stakeholder consultation was known that there is no compensation processes in areas managed by the Felda – Pasoh POM. All lands are managed today is a land that has been set by the Government of Malaysia since early period of company operates. The communities or smallholders peasant (called *peneroka*) around the plantation area it was the first generation of people who also have acquired land by the Government of Malaysia. These programs were begun in period 1980.

Status: Full compliance

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.

Based on the Letter Number: (02) 010810 /HQ/ JAB.OP.14/ plantation / KUK, Dated : March 7, 2014 from the Executive Vice President (CEO), Head of Plantation Cluster, Felda Global Ventures Plantation (M) Sdn, Bhd to all Plantation Manager, Felda Global Ventures Plantations (Malaysia) Sdn Bhd in related levels of workers minimum wages Number 4/2014 FGVPMSB. Since April 1, 2014 was decree that all field workers have opportunities to receive income not under of RM 900.per month. These policy is related with implementation of Section 4 (2) Deed (Akta 732 Perenggan 6 Perintah Gaji Minimum 2012) about Minimum Salary on 2012.

Sampled wage slips for 2014 indicate compliance to MWO 2012 at the POM and sampled estates.

There is extensive and well prepared documentation detailing payments and conditions of employment.

At Pasoh 03 Estate there was a document sighted (Pekelling 19) stating the terms and conditions of employment. When employees at the FTP and Felda office were questioned, they were able to demonstrate that they understood the terms and stated in the document / provided feedback that they were duly informed of their employment terms and conditions.

For example, the company already have Letter Number: (02) 010810 /HQ/ JAB.OP.14/plantation/KUK, dated : March 7, 2014 from the Executive Vice President (CEO), Head of Plantation Cluster, Felda Global Ventures Plantation (M) Sdn, Bhd to all Plantation Manager, Felda Global Ventures Plantations (Malaysia) Sdn Bhd. This letter is related to levels of workers minimum wage. Since April 1, 2014 was decree that all field workers have opportunities to receive income not under of RM 900.per month. This policy is related with implementation of Section 4 (2) Deed (Akta 732 Perenggan 6 Perintah Gaji Minimum 2012) about Minimum Salary on 2012.

Pasoh POM

Work Agreement Letter is available. For example is Work Agreement Letter Number (706) 010/HQ/840A/10/pt.Vi/W/01/-141, dated March 06, 2014 Felda Palm Industries Sdn Bhd (HRD – Head Office in Kuala Lumpur) with Abdul Aziiz Bin Abdul Sukor. These employment agreements were described of minimum wage, time off and holidays, workers right and worker obligations.

Felda Pasoh 03 Estate

Based on document verification it known that any foreign worker in Pasoh 11. Refer to field visit and interviews with the workers, it was known that there are any documents for foreign workers. These document are:

- Data base is contains about worker's name, date of start working and heir in Indonesia.
- Employment Contract Letter of Felda Technoplant Sdn. Bhd with the foreign Labor. The employment agreement described in Indonesian language, explain about minimum wage, time off and holidays, workers right and their obligations. For example is Work Agreement Letter on behalf of Suharni, began work on July 04, 2014. These document signed by employer (Azrul Adely Bin Moh Termizi – Pengurus Jabatan Tenaga Kerja Felda Global Ventures Plantations (Malaysia) Sdn.Bhd and Salsan Bin Kamaluddin – Pembantu Eksekutif Jabatan Tenaga Kerja Felda Global Ventures Plantations (Malaysia) Sdn.Bhd and the employee (Suharni).

Felda Titi 2 Estate

Field observation and interviews has showed that any migrant worker from Nepal. Based on document verification, the management unit cannot showed the legal agreements or direct contracts for their foreign workers.

Major non conformance (CAR 2014.11) was raised

Observation on 14 January 2014

Root cause:

- ❖ There were a lack of information that how the important of agreement is needed between main contractor and sub-contractor

Corrective action:

- ❖ To brief all main contractor to make an agreement with the sub-contractor in delegate the works. The evidence shown by is the document of awareness plan to sub-contractors for better understanding.
- ❖ The evidence shown by is the list of workers which accepted the work agreement in form of "Senarai Penerimaan Surat Perjanjian Kontrak Pekerja".

Preventive action:

- ❖ All of agreement between main contractor and sub-contractor will be documented. It will create accountability for main contractor and sub-contractor respectively

Auditor conclusion:

The management unit has shown the evidence of agreement to contractors and workers in the form of photographic and record to the auditor team. The evidences are available. **Major non conformance (CAR 2014.11) is closed**

The company already provide facilities for their employee. These facilities are:

Pasoh POM

- Housing for mill employees
- Schools
- Sports Facilities
- Facility for praying activities
- Hall for employee
- Mini market

Felda Pasoh 03

- Housing for settlers
- Sports Facilities
- Facility for praying activities

Titi 2 Estate

- Housing for Local Workers
- Housing for Indonesian and Indian Workers in the Estate
- Facility for praying activities
- Sports Facilities

6.5.1	Status: Non conformance 2014.11 with major category – condition closed
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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.

FGV have a registered Workers Union that all Estate workers have the freedom to join. The HQ branch of this labor organization has been established since 1976.

FGV also ensures that it complies with the Employment Act 1955 and Industrial Relations Act xxx which stipulates. There has been also Unitary Workers Regulations Felda Palm Industries Sdn.Bhd was valid today for and be issued a new regulation if there are changes or additions of chapters and verses contained in these regulation.

Based on the results of interviews with Workers Union Representatives in Pasoh 03 Estate, Pasoh POM it was established t hat periodic meetings were conducted regarding worker issues. These meetings cover aspects of worker issues such as: wages, benefits and worker welfare issues. The latest meeting records sighted was on:

- a) 22 August 2014 at Titi 2 Estate representing 7 foreign workers from India and 7 foreign workers from Indonesia.
- b) 21/03/2014 at Pasoh 03 Estate representing xxxx
- c) 28/04/2014 at the Pasoh POM where there are only local workers available. (Abdul Kasim bin Hussin – Pengerusi, Abdul Rahim Jauhari)

	Status: Full compliance
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6.7

Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education program. Children are not exposed to hazardous working conditions.

In the Estates FELDA having and showed the Policy for children workers or the minimum age for working that signed by FELDA Director dated July 1, 2013 and for the Palm Oil Mill was signed by President and CEO of Felda Global Venture (FGV) on June 2014. In this policy mentioned that FELDA prohibited the children workers with having ages below 17 years old; and if there was the children for supporting his /her parents it shall be under supervised his/her parents and shall not disturbed the children's schooling. This policy was controlled, documented and available/communicated in the estates and also in the Palm Oil Mill front offices.

The company also showed the list workers both POM and Estates that not employees workers under 17 years old and prohibited the children workers. During the field observation to estates and mill known there were no workers under 17 years old and the children workers.

Status: Full compliance

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.

The company (FELDA) having and showed the policy of the equal opportunities that signed by FELDA Director (JKPMSM) dated Dec 20, 2010 in the Estates and signed by President & CEO of FGV dated June 1, 2014. This policy mentioned that FELDA shall ensure to all workers and candidate workers will provide services with no discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age. This policy was available both in Estates and POM and distributed, controlled and documented.

The policy of the equal opportunities for working was valid as well for the employees and group including the migrant workers that have not been discriminated.

Based on the field observation the results shows that Copies of contracts of employment detailing payments and conditions of employment were not available and were not clearly understood by the foreign workers at Titi 02 estate. And At Pasoh3, there was lack of evidence of agreements between main contractors and spraying subcontractors.

Status: Full compliance

6.9

Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.

There was available and showed the policy of sexual harassment and violence that signed by FELDA Director dated June 28, 2011 and dated on June 1, 2014 signed by President & CEO of FGV. Mentioned in this policy that FELDA shall ensure that the policy was implemented and complied; and FELDA management also maintaining the women rights reproductive and families from harassment and discrimination and concerning the women workers healthy.

This policy was controlled, communicated and documented. Based on interviewing to the stakeholder consultation with the representative women gender committee both POM and Estates that this policy had been communicated and implemented and there was no nothing happened for this issue

The company (FELDA) has showed the establishing mechanism regarding the grievance related to the policy of sexual harassment and violence by established procedure ML-1A/L2-PR10(0) issued march 2012. The established mechanism was managed by the gender committee that mentioned with the following steps,

- The grievance entry to the gender committee.
- Processing the grievances to the gender committee
- Reporting to the women, family and community Ministry.

There is no issues raised related sexual harassment and all other forms of violence against women during the stakeholder consultation and this audit. At Felda Pasoh 3, and Felda TITI 2, there were gender committee was established.

	Status: Full compliance	
6.10		
Growers and mills deal fairly and transparently with smallholders and other local businesses.		
<p>The mechanism pricing for the FFB for the quality A and B was published in the board at the weighbridge in front of Pasoh Palm Oil Mill. This number price was connected to the Malaysian Palm Oil Board (MPOB) daily updated. The all FFBs entry to the POM which supplied by the suppliers should know the FFB price as reference for payment. The POM was received the FFB from paso-1 estate, Pasoh-2 estate, Pasoh-3 estate, Pasoh-4 Esatte, Titi-2 Estate and other growers.</p> <p>During the audit the POM showed the FFB prices as reference for payment to the FFB suppliers and well inform such as in the mill information board in the mill entrance. Besides that smallholders and other local business supplier can telephone the mill regarding the current price and also can compared the price at the MPOB online website.</p> <p>There was evidence contractual agreement between FELDA and FFB suppliers (growers) regarding the FFB entry to the Palm Oil Mill (POM) for the price of FFB. This agreement mentioned that the FFB shall comply with the requirements such as the quality FFB received, the calculated fees of FFB, FFB prices against the MPOB updated announcement; and the FFB from growers shall be supplied to the POM under FELDA. Based on interviewing to settlers owned land managed by FELDA Techno Plant (FTP) and Settlers that managed their owned informed that the Growers understood the contract agreement of the FFB; and had been paid in accordance with the agreement and the FFB price referred to the MPOB.</p> <p>Regarding the contract agreement there were two types of payments, 1st for grower (settlers/Peneroka) that managed plantation by FELDA will be paid monthly and all of calculation of FFB price that had been paid by FELDA was reported into monthly bill account that received by growers (Peneroka), and 2nd for settlers that managed the plantation by their self, the payment had been paid at least a week. And there was no issue or problem regarding the time for payment to the growers (settlers or Peneroka).</p>		
	Status: Full compliance	
6.11		
Growers and millers contribute to local sustainable development wherever appropriate.		
<p>There is a contribution has been made to the selected parties such as school and another NGO according to the requested letter to the mill. The latest contribution is to Sekolah Kebangsaan Pasoh 4 (82) 3101/8-4-1.</p>		
	Status: Full compliance	
PRINCIPLE #7 Responsible development of new plantings		
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.		
<p>There is no new development or expansion of plantation within the area of FELDA Pasoh complex, only replanting activities. The second cycle of replanting starts from year 2002.</p>		
	Status: Full compliance	
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.		
<p>There is no new development or expansion of plantation within the area of FELDA Pasoh complex, only replanting activities. The second cycle of replanting starts from year 2002.</p>		
	Status: Full compliance	
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.		
<p>There is no new development or expansion of plantation within the area of FELDA Pasoh complex, only replanting activities. The second cycle of replanting starts from year 2002.</p>		
	Status: Full compliance	

7.4	
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.	
There is no new development or expansion of plantation within the area of FELDA Pasoh complex, only replanting activities. The second cycle of replanting starts from year 2002.	
	Status: Full compliance
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.	
There is no new development or expansion of plantation within the area of FELDA Pasoh complex, only replanting activities. The second cycle of replanting starts from year 2002.	
	Status: Full compliance
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.	
There is no new development or expansion of plantation within the area of FELDA Pasoh complex, only replanting activities. The second cycle of replanting starts from year 2002.	
	Status: Full compliance
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.	
There is no new development or expansion of plantation within the area of FELDA Pasoh complex, only replanting activities. The second cycle of replanting starts from year 2002.	
	Status: Full compliance
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.	
<ul style="list-style-type: none"> • Environmental Aspect & Impact evaluation being reviewed on a yearly basis is observed for the mill and all estates. Social activities recorded into the minutes of meeting with JCC, JKKK and JKKR and social expenditure are included in the budget from Mill and Estates. • Stakeholder interview: Rahman bin Saikin (Ketua Kampung Pasoh 1), Norhana bt Abu Bakar (School Teacher), they were said that there is a lot of programmed done by Felda to reduce the social problem such as drug addict. • There is a program at the Surau and Masjid (Program Kebudayaan) and Islamic talk to create the awareness and reduce the social problems among teenager in estates. 	
Aspect and Impact identification process has been carried out for both Estate and Mill. Documentation was recorded in File (Ref: RSPO 5.1 and Borang: RSPO-P5/C.5.3/5.3.1).	
Action recorded:-	
<ul style="list-style-type: none"> • Minimize usage of paraquat and replace with systemic chemical. • Promote and implement waste recycling activity for estate and mill by product. • Promote and implement renewable energy generated activity. • Promote and implement zero burning activity for replanting. • Promote and implement river reserve conservation. • Planning on periodic environmental quality monitoring. 	
Recycling activity currently focus on Mill and Estates by-product. Domestic waste recycle was done indirectly by independent recycler. FELDA have an opportunity for improvement to planning and Implement a proper system by creating a recycling centre where settlers could send their valuable waste. Organic waste could be process into fertilizer.	
This was raised as an observation/OFI.	
The estates management units of Pasoh-03 and Titi-02 have shown the evidence of there was no World Health Organisation Type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions are use, however the units use	

the *Paraquat a.i* to controlled the weeds in the operational area. Based on the chemical stock card the units have shown the reducing of the *paraquat* from year 2012 until 2014 and programming to reduce the application.

Policy of Paraquat use on 1 June 2014 by FELDA and FGV document no.97/143-H which informed:

The reducing and stopped the application based on consideration of: The *Paraquat* only use for the young palm (0-3 year) and prohibited for the old palm, the alternative of the replacing the *paraquat* have to implemented.

8.1.1	Status: Observation/Opportunity for improvement	
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3.2. Summary of Assessment Report of Supply Chain

Clause	(Module E) CPO Mills - Mass Balance Requirements
1	Documented Procedures
	<p>1.1 The facility shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements.</p> <p>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 facilities procedures for the implementation of this standard.</p>
	<p>The PASOH 03 POM has established written procedure entitled Mill Requirements RSPO Supply Chain System SOP, Doc No. FGVPM-RSPO SCCS distributed 01 June 2014 . The system established for PASOH POM is Mass Balance (MB) . The SOP covers updated requirements covering the implementation of all the elements in the Mass Balance Module E of the RSPO SCCS :2011 requirements.</p> <p>The POM manager , Mr Ahmad Tarmizi bin Jantan is the overall PIC for the effective implementation of the Supply Chain MB SOP. He is assisted by the POM assistant managers, Mr Mohd Suhaimi Bin Jusoh and Muhammad Hazman Bin Ibrahim. The other main mill personnel involved include the Weighbridge Clerk , Operations Supervisor , Laboratory Analyst , Area Quality Supervisor and security personnel</p>
	Status: Full compliance
	<p>1.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>
	<p>The SOP has addressed the following requirements:</p> <ul style="list-style-type: none"> • Purchase, delivery, receipt, storage and processing of FFB from own PMU estates and other suppliers (including Outside Crop Producers), • Identification of certified and non-certified sources of FFB, • Production and Storage of CPO/ PK, • CPO/PK production report, • Sales and delivery of CPO / PK , • Document control, • Record control with retention period of 10 years.
	Status: Full compliance
2	Purchasing and goods in
	<p>2.1 The facility shall verify and document the volumes of certified and non-certified FFBs received.</p>
	<p>The POM verifies and records weight and supply of source of FFB received at the weighbridge in the delivery and weighbridge documents. FFB records are data -entried into the POM computer system – MPR (Monthly Performance Report) on a daily basis by the chief clerk. Monthly reports are submitted to the Kuala Lumpur Head Office through the Mill Performance Report (MPR) system. Production Report for last 12 months (Sep 2013 – Aug 2014) was verified to be adequately recorded into the MPR IT System.</p>
	Status: Full compliance

2.2	
The facility shall inform the CB immediately if there is a projected overproduction.	
The POM has an internal monitoring and reporting mechanism for advising the CB of over-production . So far, there is no projected overproduction as per related to RSPO SCCS :2011 requirements.	
	Status: Full compliance
3	Record keeping
3.1	
The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.	
Records and reports necessary for all aspects of the Mass Balance Supply Chain System RSPO requirements were verified and confirmed to be in place. The records and reports are updated regularly , adequately filed and readily retrievable.	
	Status: Full compliance
3.2	
Retention times for all records and reports shall be at least five (5) years.	
Retention times for all records and reports shall be ten (10) years as stipulated by the POM Supply Chain SOP.	
	Status: Full compliance
3.3	
(a) The facility shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO, PKO and palm kernel meal on a three-monthly basis.	
(b) 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.	
(c) The facility can only deliver Mass Balance sales from a positive stock. However, a facility is allowed to sell short.	
Transaction documents and bookkeeping of CPO and PK are recorded daily basis . Monthly summary report of FFB received, FFB processed, CPO production, PK production and balance stocks are submitted to the Kuala Lumpur Head Office. All volumes of palm oil and palm kernel oil that are delivered are to be deducted from the CPO/PK palm goods accounting system according to conversion ratios accepted by RSPO. All deliveries of the MB sales are to be from positive stock as per SOP for Mill RSPO Supply Chain System, Doc No. FGVPM-RSPO SCCS.	
	Status: Full compliance
3.4	
The following trade names should be used and specified in relevant documents, e.g. purchase and sales contracts, e.g. *product name*/MB or Mass Balance. The supply chain model used should be clearly indicated.	
PSQM Department from FELDA HQ has prepared an appropriate stamp for the identification of RSPO certified CPO and PK. Documents to be stamped e.g. "RSPO CPO MB" appropriately for CPO and accordingly "RSPO PK MB" for PK products.	
	Status: Not Applicable will be verified on the next assessment
3.5	
In cases where a mill outsources activities to an independent 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.	
There is no outsourced palm kernel crushing activity at this POM.	
	Status: Not Applicable will be verified on the next assessment
4	Sales and goods out
4.1	

<p>The facility shall ensure that all sales invoices issued for RSPO palm oil delivered include the following information:</p> <ul style="list-style-type: none"> (a) The name and address of the buyer (b) The date on which the invoice was issued (c) A description of the product, including the applicable supply chain model (Segregated or Mass Balance) (d) The quantity of the product delivered (e) Reference to related transport documentation 	
<p>Items (a) to (e) are included in the company's invoices, delivery note and other relevant documents to all CPO buyers as stipulated in the SOP for RSPO/MB module. Deliveries of CPO and PK made with Delivery Note. Data entry into computer system or reporting spreadsheet. Delivery of CPO and PK checked to ensure that the authorized quantities are not exceeded. CPO and PK deliveries are made by FELDA subsidiary , Felda Transport Services Sdn Bhd.</p>	
	<p>Status: Full compliance</p>
5	<p>Training</p>
<p>5.1</p> <p>The facility shall specifies and provides the training for all staff as required to implement the requirements of the Supply Chain Certification Systems.</p>	
<p>The PASOH PMU has conducted training on the Supply Chain Certification System for Mass Balance (MB) Module in 25/06/14. The two attendees for the training were Muhammad Hazman Bin Ibrahim and Tengku Sahrum Bin Tengku Yahir. Additional training has been planned for additional personnel after sustainability certification.</p>	
	<p>Status: OFI for SCCS 5.1</p>
6	<p>Claims</p>
<p>6.1</p> <p>The facility shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules for Communications and Claims.</p>	
<p>The SOP has clearly stated that the Felda PASOH POM shall only make claims on certified CPO and PK from certified FFB sources using MB model according to RSPO Rules for Communications and Claims . So far, no claims have been made by the Felda PASOH POM.</p>	
	<p>Status: Compliance</p>

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	Will be verified after the management unit certified	
	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	Will be verified after the management unit certified	
	Status: Not applicable	
3.	Implementation of Certificate and Logo is not used on product	X or√
ST-2	Will be verified after the management unit certified	
	Status: Not applicable	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ST-2	Will be verified after the management unit certified	
	Status: Not applicable	

3.4. Summary of RSPO Partial Certification.

Management units was observed: 1. Serting 2. Kemahang 3. Kerteh 4. Tersang 5. Selendang	
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.
	<p>Felda has and follows the “GSA” Group Settlement Act, where all land under FELDA will abide by local and national land laws. Ie. Compliance with legal documents such as the “Land Rules Applicable to the States in Malaysia” and relevant acts.</p> <p>A procedure sighted for “Register of legal and other requirements” [FPI/L2/QOHSE-2.0] which effectively covers 3 aspects which [Identification / Implementation and Compliance / Review]. Estate has a “Legal Compliance Checklist” matrix updated in 2014 that contain the entire license and permit for easy tracking and monitoring of the validity. Document review done for pay slip that proven, workers are paid according to the government regulation.</p> <p>A Legal Register covering the applicable local and international laws and regulations is available at the mill and estates. The identified legislations were regarding to safety and health, environmental management, pollution management, chemical handling, usage & storage, schedule waste management.</p> <p>Based on the site assessment at five Units Management (Serting, Kemahang, Kerteh, Tersang and Selendang), there were evidences of compliance with the relevant laws, regulations, local and International laws. There were no cases of any violation or actions imposed by relevant authorities. Information were updated regularly and mechanism for ensuring compliances was available. Tracking system for any changes were in place and properly documented.</p> <p>However, there was a lapse in ensuring compliance to legal requirements: For examples</p>
	✓
	Status: Compliance
2.2	The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.
	<p>Legal ownership of land and its land use is available for all operating units and demonstrated through the respective land titles. For the FELDA settlers program, land titled is covered under the “GSA” (Group Settlement Act).</p> <p>The land occupied by Felda is a leasehold which is outside of Orang Asli reserves/areas and forest reserves. Orang Asli, the only indigenous peoples in Peninsular Malaysia do not have rights to land tenureship as per Aborigines Peoples Act, 1954 (pertaining to Aboriginal Areas (Section 6) Reserves (Section 7).</p> <p>Serting</p> <p>Land ownership document clearly indicate that land could be used for palm plantation activities. No disputes, conflicts or customary rights as the land belong to state government that leased to FGVP for 99 years. Sighted a map detailing the boundary stones spot, main roads and estate roads. During field visit, the auditors found satisfactory condition of the boundary stones.</p> <p>Kemahang</p> <p>Legal boundaries were maintained. Sighted the record sheet “PerakuanMenandaBatuSempadan” effectively provides the census of boundary stones [1.5m] that painted with red and white. Aside that, 3 palm trees nearest to the boundary stone painted in red 2 m from ground level.</p> <p>Land ownership document clearly indicate that land be used for palm plantation activities. There wasn't any conflict on the condition of land use as per land title and no conflict on the condition of land use as per land title. No disputes, conflicts or a customary right since land acquired. However there are documented procedures available to manage the situation if needed, namely</p>
	✓

	<p>Land disputes & customary rights - ML-1A/L2-PR 12, Negotiation process - ML-1A/L2-PR 1 and Compensation calculation - ML-1A/L2-PR 13 Participatory mapping not applicable as there was no disputes, conflicts or a customary right. No evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations.</p> <p><u>Kerteh</u> Felda Kerteh POM and estates was able to demonstrate ownership of land titles of mill and estates within the PMU Grouping. The lands were leased by FELDA from the Trengganu State Government. The original copies of land lease documents are maintained by the Felda Corporate Head office in Kuala Lumpur. The legal use of the land was confirmed to be for oil palm mill and oil palm cultivation use for estates. Based on the field observations and interviews at the Kerteh PMU Grouping mill and estates, there was evidence in the form of available records to show that the land lease complies with legal requirements and does not infringe on any legal rights that require free, prior and informed consent.</p> <p>There were boundary stones/markers along the perimeter of Felda Kerteh POM, FGV Semaring 01, FAS Kerteh Estate and Felda Kerteh 03 Estate which were sampled in this initial audit. Locations of several boundary stones and/or pole markers were visited and verified to be within the boundary parameters of the estates.</p> <p><u>Tersang</u> The original copies are maintained by the Corporate Head office. The legal use of the land confirmed to be for cultivation of oil palm, rubber and agricultural use. Individual land title (for Peneroka) awarded and observed with sufficient evidence documents. Legal boundaries for Tersang Complex area have been well demarcated as seen in field observation at Tersang 4, Koyan 3 and Koyan 2. Boundary marker (<i>batu sempadan</i>) available according to map of boundary marker as well as physical demarcation using boundary drain.</p> <p>There are no reported cases of land disputes arising from the acquisition. There is a documented procedure ML-1A/L2-PR 12 (0) dated Mar 2012 for handling and response to legal issue and customary rights as well as for calculation and distribution of compensation.</p> <p><u>Selendang</u> Legal documents on land title well kept. Due to the land belongs to state government, therefore no land disputes, negotiations, compensation and legal actions corresponded to this management. During site visit, sighted the boundary marks and territory well managed.</p>	
	<p>Status: Compliance</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>There was a procedure for communication and consultation been established in Manual Lestari 1 A, 3.5 (Prosedur Menangani Aduan dan Rungutan, ML-1A/L2-PR04). This procedure explaining the flow to handling the complaint from the first step to discussion with nominated personnel until the top management of Felda in the headquarters</p> <p><u>Serting</u> As all the audited facilities are surrounded by other Felda complexes, therefore no disputes, complaints and grievances received and external stakeholders clearly understand the RSPO requirement on the mechanism to make complaints to Scheme Manager. System was found to be open for any affected parties by implementation of SIA form and stakeholders meeting by the management. During the planned stakeholder meetings, the management brief the process of lodging of any disputes, complaints and grievances.</p> <p><u>Kemahang</u></p>	<p style="text-align: right;">✓</p>

	<p>Based on the audit, there is a complaint been made at There is a complaint have been made at the Kemahang POM on 10/2/2015 regarding the odour issues and housing, at FeldaKemahangSatucomplaint regarding plantation issues and FeldaKemahangEmpat complaint from the foreign workers regarding the workers camp issues. All issues has been resolved and documented. All complaints and grievances are received and recorded and action taken documented in the book.</p> <p><u>Kerteh</u> There is a mechanism and been documented for dealing with complaints and grievances. There is a complaint been made at Kerteh POM latest on 15/10/2014 and the action had been taken on 16/10/2014. At FGVPM Semaring 01 Estate, latest complaint on 1/10/2014 been made by Mohd Anuar. No complaint had been made at FASSB Kerteh and Felda Kerteh 03 Estate.</p> <p><u>Tersang</u> The was a procedure for communication and consultation been established in Manual Lestari 1 A, 3.5 (Prosedur Menangani Aduan dan Rungutan ML-1A/L2-PR04. This procedure explaining the flow to handling the compliant from the first step to discussion with nominated personnel until the top management of Felda in the headquarters. Based on the audit, there is a complaint been made at There is a complaint have been made at the Tersang POM on 02/5/2015 Khairul Salleh regarding the facilities issues. An action have been taken by the management are recorded, at Felda Tersang 04 no compliant are been made until the audit, Felda Sg. Koyan 02 There is a latest complaint made by Kuntom bt Tahat (Block 11) regarding family issues on 8 March 2015 and Felda Sg. Koyan 03 There is a latest complaint made by Hj Alliuddin b Ujong (Block 4) regarding family issues on 10 March 2014. All issues has been resolved and documented. All complaints and grievances are received and recorded and action taken documented in the book.</p> <p><u>Selendang</u> Documented procedures for dealing with complaints and grievances is covered under SOP 3.4 Participation and Consultation Communication procedures / Prosedur Komunikasi Penglibatan dan Rundingan; No. Doc: ML-1A/L2-PR3 (0); Date of Issued: March 2012. Based on interview with management representative (estates and mill), there is no grievances and/or complaint raised from stakeholders.</p>	
	<p>Status: Compliance</p>	
<p>6.4</p>	<p>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>FELDA has a Social Officer based in each regional office throughout the nation, where existing scheme/settlers can share their views and concerns. On a monthly basis, the reports from the Social Officers are shared and reviewed through the monthly Head of Department meetings. Quarterly there is a “Mesyuarat Jawatan Kuasa Minyak Sawit Mampan” known as the Sustainability Steering Committee Meeting, where both FELDA and FGVP Head of Departments review on-going matters. The PSQM department will monitor any issues and reviewed with the Head of Department.</p> <p>There is a procedure (Prosedur Mengenalpalsti Hak Perundangan danA dat) to resolve the conflict between the settlers and management. Clearly stated the process flows of the way to resolving the issues (ML– 1A/L2- PR 12 (0).</p> <p><u>Serting</u> Based on audit, there is no negotiations concerning compensation for loss of legal or customary rights as per this assessment period.</p> <p><u>Kemahang</u></p>	<p>✓</p>

	<p>Based on audit, there was no issues occurred the compensation regarding the land ownership and customary right, in the procedure mentioned that the resolution will be processed with the affected parties regarding the issues raised and based the negotiation the compensation.</p> <p><u>Kerteh</u> There is a procedure (Prosedur Mengenalpasti Hak Perundangan dan Adat) to resolve the conflict between the settlers and management. Clearly stated the process flows of the way to resolving the issues (ML– 1A/L2- PR 12 (0) at Kerteh POM, FGVPM Semaring 01 Estate, FASSB Kerteh and Felda Kerteh 03 Estate. Based on the audit, there was no record on issues.</p> <p><u>Tersang</u> There is a procedure (Prosedur Mengenalpasti Hak Perundangan dan Adat) to resolve the conflict between the settlers and management. Clearly stated the process flows of the way to resolving the issues (ML– 1A/L2- PR 12 (0). There was no issues occurred the compensation regarding the land ownership and customary right, in the procedure mentioned that the resolution will be processed with the affected parties regarding the issues raised and based the negotiation the compensation.</p> <p><u>Selendang</u> Documented procedure for identifying legal and customary rights is available in place (Manual Lestari 1A (Jenis Dok: 3.13 Prosedur Mengenalpasti Hak Perundangan dan Adat; No. Dok: ML-1A/L2-PR12 (0); Date of Issued: March 2012). During interview with management representative and settlers/smallholders, customary land within Selendang complex is not available. The land of Selendang complex is owned by government and managed by FELDA Plantations, therefore no customary land and land claims were identified.</p>	
	<p>Status: Compliance</p>	
<p>7.3</p>	<p>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</p>	
	<p>In Malaysia, FELDA has land banks that were acquired since the 1950s and has steadily increased their land bank over the past 50 years. These land banks were initial cleared and prepared for crops such as rubber, timber, palm oil and cocoa. As the demand for palm oil increased in the 1990s and 2000s, most of these cleared areas have been converted to palm oil. Given that, all these areas were cleared and either prepared or planted with another crop over the past 50 years, the NPP procedure will not apply. For newly acquired land in Malaysia or any part of the world under FELDA, the NPP procedures will apply.</p> <p><u>Serting</u> No establishing new plantings operations in Serting complex. Replanting is commenced in a part of managed area i.e Raja Alias 1 (replanted in 2012). Social and environmental assessment is undertaken by internal (PSQM FELDA) prior to replanting.</p> <p><u>Kemahang</u> According to document verification and interview with management, there is no new plantation development in FELDA Kemahang Complex. All area of Kemahang complex were developed on 1970-s and currently they have come into second cycle of palnting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle). Therefore, no new plantings that replaced primary since 2005 as well as HCV area</p> <p><u>Kerteh</u> Regarding statement area and field visit revealed that there are no new plantings.</p> <p><u>Tersang</u></p>	<p>✓</p>

	<p>No new planting found in Tersang Complex. By the time initial stage audit was held, Felda Tersang complex has come to second cycle of plantation both for FELDA's own land and Settler's land (Peneroka).</p> <p>Selendang No establishing new plantings operations in Selendang complex. Replanting is commenced in a part of managed area. Social and environmental assessment is undertaken by internal (PSQM FELDA) prior to replanting. Identification and Management Plan of HCV and Biodiversity have been made by Plantation Sustainability and Quality Management (PSQM) FELDA on 7 September 2014. No HCV were identified within this area.</p>	
	Status: Compliance	
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.	
	<p>Serting No establishing new plantings operations in Serting complex. Replanting is commenced in a part of managed area i.e Raja Alias 1 (replanted in 2012). Social and environmental assessment is undertaken by internal (PSQM FELDA) prior to replanting.</p> <p>Kemahang According to document verification and interview with management, there is no new plantation development in FELDA Kemahang Complex. All area of Kemahang complex were developed on 1970-s and currently they have come into second cycle of palnting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle). Therefore there was no land tenure issue at Kemahang Complex.</p> <p>Kerteh Regarding statement area and field visit revealed that there are no new plantings.</p> <p>Tersang No new planting found in Tersang Complex. By the time initial stage audit was held, Felda Tersang complex has come to second cycle of plantation both for FELDA's own land and Settler's land (Peneroka).</p> <p>Selendang No establishing new plantings operations in Selendang complex. Replanting is commenced in a part of managed area. Social and environmental assessment is undertaken by internal (PSQM FELDA) prior to replanting. Identification and Management Plan of HCV and Biodiversity have been made by Plantation Sustainability and Quality Management (PSQM) FELDA on 7 September 2014. No HCV were identified within this area.</p>	✓
	Status: Compliance	
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.	
	<p>Any new land acquisition will be done by mean of a participatory process with local villages and land owners. No complaints received during this audit process.</p> <p>Serting No establishing new plantings operations in Serting complex. Replanting is commenced in a part of managed area i.e Raja Alias 1 (replanted in 2012). Social and environmental assessment is undertaken by internal (PSQM FELDA) prior to replanting.</p> <p>Kemahang</p>	✓

	<p>According to document verification and interview with management, there is no new plantation development in FELDA Kemahang Complex. All area of Kemahang complex were developed on 1970-s and currently they have come into second cycle of palnting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle). Stakeholder consultation shows that that there was no land tenure issue at Kemahang Complex.</p> <p><u>Kerteh</u> Regarding statement area and field visit revealed that there are no new plantings.</p> <p><u>Tersang</u> No new planting found in Tersang Complex. By the time initial stage audit was held, Felda Tersang complex has come to second cycle of plantation both for FELDA's own land and Settler's land (Peneroka).</p> <p><u>Selendang</u> No establishing new plantings operations in Selendang complex. Replanting is commenced in a part of managed area. Social and environmental assessment is undertaken by internal (PSQM FELDA) prior to replanting. Identification and Management Plan of HCV and Biodiversity have been made by Plantation Sustainability and Quality Management (PSQM) FELDA on 7 September 2014. No HCV were identified within this area. Documented procedure for identifying legal and customary rights is available in place (Manual Lestari 1A (Jenis Dok: 3.13 Prosedur Mengenalpasti Hak Perundangan dan Adat; No. Dok: ML-1A/L2-PR12 (0); Date of Issued: March 2012). During interview with management representative and settlers/smallholders, customary land within Selendang complex is not available. The land of Selendang complex is owned by government and managed by FELDA Plantations, therefore no customary land and land claims were identified.</p>	
	<p>Status: Compliance</p>	

3.5 Identification of Findings, Corrective Action, Observations, Opportunity for Improvement and Noteworthy Positive Components.

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

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
2014.1.	Major 2.1.1	Evaluation of compliance records. Evaluation of compliance records were not updated at Pasoh 03 estate.	Pasoh 03 Estates.	Major	Before certificate issued	The management unit shall shown the evidence of all update of evaluation of compliance against the applicable legal and statutory requirements	<p>Observation 26 November 2014</p> <p>Root cause: No enforcement of the management plan.</p> <p>Corrective action:</p> <ol style="list-style-type: none"> 1. Update "Checklist Local Law" and "Checklist of International Law" by ensuring the review date and name of the officer checking on record and signed by the officer reviewer. 2. Make sure all Status of Compliance should be marked "√". 3. If there is non-compliance, the need for action to comply with such laws. 4. Get the whole program Grant / Grants News / letter of ownership. 5. There was appointed officer through document of "Lantikan Bagi Mengemas kini Borang Pematuhan Undang-Undang" . <p>Preventive action: Managers will monitor and issue a letter of formal instructions to the officers responsible for updating the list of legal compliance, also review should be done whenever there is a change and at least once a year</p> <p>Auditor conclusion: The management unit has shown the evidence in the</p>	Closed	26 November 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							form of photographic and records to the auditor team. The evidences are available.		
2014.2.	Minor 2.2.3	The boundary marker. The boundary marker maintenance checklist was not updated by estate PIC of Pasoh 03 and Titi 02 Estates.	Pasoh 03 and Titi 02 Estates.	Minor	ASA-01	The management unit shall provide the evidence of the plantation boundary were maintained and well record.	<p>Observation 26 November 2014</p> <p>Root cause: Lack of knowledge regarding the important checking of boundary marker</p> <p>Corrective action: (filled by client)</p> <ul style="list-style-type: none"> Determine which boundary markers are lost and replace Action with new one's. Appointed the officer which monitor the boundaries, for example in Pasoh-3 Estate on document of Lantikan Bagi Pemantau batu Sempadan di Pasoh-3 on 5 November 2015 by Project Manager (Pengurus Projek) The photographic evidences of new installation of boundary poles were available and wel recorded. <p>Preventive action: To monitor and maintain the boundary markers checklist Action and to comply the requirement</p> <p>Auditor conclusion: The management unit has shown the evidence in the form of photographic and records to the auditor team. The evidences are available. Major non conformance consider closed, however this will be observed during next assessment regarding the consistency of the implementation.</p>	Closed with Observation	26 November 2014
2014.3	Minor 4.4.7	Water Management Plan (Water Quality Management Plan)	PASOH3 and TITI 02	Minor	ASA-01	.The management unit shall provide the water	<p>Root cause:</p> <p>Corrective action:</p>		

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		Manual for Water Quality monitoring was available through "Prosedur Persampelan Air" Ref: ML_1A/L2-PR6(0). However, water quality monitoring plan was not prepared and no physical sampling was carried out so far.	estates			management plans and implementation according to the company procedure.	Preventive action: Auditor conclusion:		
2014.04	Minor 4.5.2	Monitoring of Integrated Pest Management. Based on document review revealed that the management unit have not shown evidence of Integrated Pest Management monitoring implementation (exmp: rat attack and caterpillar)	Estate	Minor	ASA-01	The management unit shall record the implementation of pest and disease monitoring	26 November 2014 Root cause: The Management Unit has not appointed the officer in charge to monitor the implementation of Integrated Pest Management. Corrective action: <ul style="list-style-type: none"> The management unit has shown the appoint Letter to monitor the Integrated Pest Management in form of Lantikan Bagi Membanci Serangan Tikus dan Ulat Bungkus (Pasoh 3 on behalf Mohd Izat Bin Md Nasir – Penyelia/Supervisor) on 5 November 2011 by Estate Manager (Pengurus Ladang). Monitor the rat attack in form of Format Borang Bancian Penerimaan Umpan (Rat Bait Monitoring Form) which explain the bait eaten, location of the bait, and the presentage of effectiveness. Preventive action: Monitoring and maintain record all of the decease so that the prevent action action will be taken before it become uncontrollable. Auditor conclusion:	Closed with Observation	26 November 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							The management unit has shown the evidence in the form of photographic and records to the auditor team. The evidences are available. Minor non conformance considers closed, however this will be observed during next assessment regarding the consistency of the implementation.		
2014.05	Minor 4.5.3	Pesticides use records. The estate management units have not shown evidences of all pesticides use location area information.	Estate	Minor	ASA-01	The estates should records all the pesticides use (example: ha and blocks)	<p>Observation 26 November 2014</p> <p>Root cause: Lack of monitoring from the management plan documentation recording the work area poisoning.</p> <p>Corrective action:</p> <ol style="list-style-type: none"> 1) Providing a map & record work performed including the type of toxin poisoning, the quantity of poisons and poisoned location for the FTP and manage their own settlers. 2) Issue a directive to the Responsible Officer in FTP and Felda to mark the map and record the work performed including the type of toxin poisoning, the quantity of poisons and poisoned location for the FTP and manage their own settlers. <p>Preventive action: The Manager will issue a letter of formal instructions to the officers responsible for recording work performed including the type of toxin poisoning, the quantity of poisons and poisoned location. Managers will review each month.</p> <p>Auditor conclusion: The management unit has shown the evidence of pesticides use monitoring record book in the form of</p>	Closed	26 November 2014

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							photographic to the auditor team. The evidences are available and the consistency of the implementation will be verified during the next assessment		
2014.06	Minor 4.5.4 & Minor 4.6.10	Records of active ingredients pesticides usage. The states management units have not shown the evidences of active ingredients pesticides usage per hectare records and monitoring.	Estate	Minor	ASA-01	The estates should records all the active ingredients pesticides usage per hectare	Root cause: (filled by client) Corrective action: (filled by client) Preventive action: (filled by client) Auditor conclusion: (filled by CB)		
2014.07	Major 4.6.3	Pesticides management. During the field observation auditor found the non conformances of the implementation and have not meets the regulatory requirement for example spill containment, labeling, separation and safety tools,: 1. Pasoh-03 estate auditor found ex-pesticides containers disposed in the smallholders/settler's own managed land and not properly stored or managed. 2. In the chemical storage area of FELDA/FTP Pasoh-03 and FELDA Titi-02 estate there were no chemical labeling and no spill containment.	Pasoh 03 and Titi 2 Estates	Major	Before certificate issued	The estates shall well manage the chemical accordance to regulations.	Observation 14 Januari 2015. Root cause: ❖ Lack of enforcement in the estate management on compliance and storage controls of the toxic container and also the containers that have been used. ❖ The land owner lack of knowledge pertaining to ex container pesticide manageable ❖ No chemical labeling and spill containment at chemical storage area Corrective action: 5) Provide training to clerks, foremen, workers and settlers related storage, use and handling of pesticides and pesticide containers disposal 6) Ensure premixing water flowed into the Sump reservoirs built. 7) Putting pesticides in stores by Class and Label poison. 8) Provide Spill Containment in store toxins. Preventive action:	Closed	14 January 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>Agricultural Officer and Officer will make a visit OSHA area management review and barrels of toxic pesticides regularly.</p> <p>Auditor's conclusion: The management unit has shown the evidence of pesticides use training and installation of Water disposal of premixing in the form of photographic to the auditor team. The evidences are available.</p>		
2014.08	Major 4.6.4	<p>Chemical usage information (MSDS). During the field observation to:</p> <ul style="list-style-type: none"> ❖ Pasoh mill water treatment plant found the MSDS available in language which not understands by the operators. ❖ Pasoh-03 chemical storage and Fertilizer sotrage found there were no Material Safety Data Sheet available. ❖ FELDA Titi-02 chemical storage and Fertilizer sotrage found there were no Material Safety Data Sheet available. 	Pasoh Mill , Pasoh 03 and Titi 2 Estates	Major	Before certificate issued	The management unit shall provide the MSDS of chemical usagae in language undertood by the operators	<p>14 January 2015 Root cause: (filled by client)</p> <ul style="list-style-type: none"> ❖ Overlook about the implementing of MSDS in chemical and fertilizer store. <p>Corrective action:</p> <ol style="list-style-type: none"> 3. The management unit of Pasoh Complex (mill and Estate) provides the awareness of MSDS to appointed officers (Pothographic evidence and attendance list available). 4. MSDS patch at chemical and fertilizer store and understood by workers involve in chemical and fertilizer. <p>Preventive action: Monitor, maintain and update the MSDS according to the chemical use in estate and mill.</p> <p>Auditor conclusion: The management unit has shown the evidence of MSDS patch in the place which chemical is use and the awareness to the appointed officer in the form of</p>	Closed	14 January 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							photographic to the auditor team. The evidences are available.		
2014.09	ajor 4.6.5	Medical surveillance of workers. The management units have not shown the evidence of medical surveillance to all workers which applicate with the chemical (spraying, manuring)	Estate	Major	Before certificate issued	The management unit shall shown the evidence of medical surveillance to all workers which applicate with the chemical (spraying, manuring)	Observation 14 January 2015 Root cause: Less concern on the implementation of estate management for medical surveillance requirements Corrective action: Send the workers which applicate with the chemical undergo the medical surveillance. Evidences show the workers have been checked in the health clinic (KELINIK RAJA). Preventive action: Agricultural Officer and Officer OSHA will visit the region to ensure medical surveillance review was conducted to involve as stated in the CHRA. Auditor's conclusion: The management unit has shown the evidence of health assessment of the chemical sprayer in the form of photographic of the examination result to the auditor team. The evidences are available	Closed	14 January 2015
2014.10	Minor 5.3.3	Crop residue/biomass recycles. No record of Management Plan was found in the file. EFB application was not observed in the field. However, interview conducted with management	Titi 2 Estate	Minor	ASA-01	The management unit shall provide the evidences of crop residue/biomass recycle is well recorded and	Observation 14 January 2015 Root cause: ❖ The EFB application was no recorded ❖ The officer in charge not updating the EFB record Corrective action: (filled by client) ❖ Conducted the awareness to upkeep supervisors	Closed	14 January 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
		team informed that EFB application is targeted to be carried out in October 2014.				implement according to the plans.	<p>and officers.</p> <ul style="list-style-type: none"> ❖ The management unit shows the schedule of EFB application in 2015 plan. ❖ The management unit shows the record of EFB application in the form of document "Rekod Penaburan dan Penerimaan Tandan Kosong" <p>Preventive action: Maintain the record and updated constantly.</p> <p>Auditor conclusion: The management unit has shown the evidence of EFB application plan and record in the form of photographic to the auditor team. The evidences are available</p>		
2014.11	Major 6.5.1	<p>Documentation of pay and conditions. Copies of contracts of employment detailing payments and conditions of employment were not available and were not clearly understood by the foreign workers at Titi 02 estate.</p> <p>At Pasoh-3 Estate, there was lack of evidence of agreements between main contractors and spraying subcontractors.</p>	<p>Titi 2 Estate</p> <p>Pasoh 3 estate</p>	Major	Before certificate issued	The management unit shall show all the employment agreements (contracts) which provide by the company or the contractors are detailing payments and conditions, also understood by the workers and contractor's workers.	<p>Observation on 14 January 2014 Root cause:</p> <ul style="list-style-type: none"> ❖ There were a lack of information that how the important of agreement is needed between main contractor and sub-contractor <p>Corrective action:</p> <ul style="list-style-type: none"> ❖ To brief all main contractor to make an agreement with the sub-contractor in delegate the works. The evidence shown by is the document of awareness plan to sub-contractors for better understanding. ❖ The evidence shown by is the list of workers which accepted the work agreement in form of "Senarai Penerimaan Surat Perjanjian Kontrak Pekerja". <p>Preventive action:</p> <ul style="list-style-type: none"> ❖ All of agreement between main contractor and sub-contractor will be documented. It will create 	Closed	14 January 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action	Observation	Status	Closing Date
							<p>accountability for main contractor and sub-contractor respectively</p> <p>Auditor conclusion: The management unit has shown the evidence of agreement to contractors and workers in the form of photographic and record to the auditor team. The evidences are available</p>		

3.5.2 Opportunity for Improvement

No	Ref Std	Descriptions
1	2.1.2	However, the FGV RSPO documentation could enhance the description of the control mechanism for establishing and updating of the legal register and associated licenses / permits as well as evaluation of compliance checklists related to RSPO requirements.
2	4.6.6	Written documentation on SOP / policy of the pregnant and breastfeeding women workers documentation should be provided by the management units.
3	4.7.1	Continual improvement of OSH plan including more prominent safety signages should be implemented to improve awareness of contract workers and mill's own workers in the mill area –including designation of smoking areas.
4	4.7.2	The recording method for accidents should be enhanced to ensure that they are captured effectively in the Safety Committee files and record books. .
5	5.2	There were several important information as follows (but not limited to) need to be improve: the team members and their qualification, basic biophysical data such as: land cover map, river and conservation area, slope map.
6	5.3.1	Domestic waste disposal area for FELDA PASOH 3 was designated at the former air strip at Block10. Disposal method is open dumping. It is recommended that the management team should upgrade the open dumping method to sanitary landfill. Proper sanitary landfill will prevent pollution problem such as odour, air, leachates and pest migration.
7	5.5.1	Management team are encouraged to educate and enforce the open burning prohibition as workers in housing quarts lacked awareness in this area.
8	8.1.3	Recycling activity currently focus on Mill and Estates by-product. Domestic waste recycle was done indirectly by independent recycler. FELDA have an apportunity for improvement to planning and Implement a proper system by creating a recycling centre where settlers could send their valuable waste. Organic waste could be process into fertilizer.

3.5.3 Noteworthy Positive Components

No	Descriptions
1	Management and staff commitment was evident in commitment toward meeting the time-bound plan
2	Felda scheme was found to be successful in improving sustainable development and poverty eradication for rural settlers

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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><u>Gender Committee</u></p> <ul style="list-style-type: none"> The gender committee mentioned that they are not aware about the grievance mechanism that the management have 	<p>The management unit will improving regarding the complaint mechanism and</p>	<p>The auditors have found the non conformance regarding the complaint mecahanism. Please refer to criterion 6.3</p>
<p><u>Stakeholder Meeting (Related to the POM)</u></p> <ul style="list-style-type: none"> During the smallholders meeting the settlers have highlighted their concern on the OER price in Felda Pasoh He said that the OER is still not improving even when the management have already upgrade the mill The smallholders have asked the management on who will bear the cost of processing for the palm oil. Even there is meeting with the JCC (Joint Consultative Committee) every month but there is still no one that could resolve all the matters raised by the stakeholders. 	<p>The management unit will improving regarding the complaint mechanism and response.</p>	<p>The auditors have found the non conformance regarding the complaint mecahanism. Please refer to criterion 6.3</p>
<p>Stakeholders meeting (Internal). Attended 24 peoples consist of the settlers which managed their land by FELDA and managed by Settlers own-self. Basically, there were no significant issues from stakeholders and the Peneroka having good relationship to FELDA because the Settlers given the land from Government and assisting by FELDA for managing their land.</p>	<p>Positive comment and maintained</p>	<p>Accepted and recognized</p>
<p>WORKER UNION (Representative)</p> <ul style="list-style-type: none"> The worker union representative mentioned that they have received salary from the company based on the minimum wage. There is no other issue with the management and he also mentioned that the entire worker has been treated equally by the management. 	<ul style="list-style-type: none"> The workers salary is accordance to the regulation. Management unit will maintain the workers issues. 	<p>The management unit is implementing the all the workers issues according to the regulation. Refer to criterion 2.1, 4.7, 6.5, 6.6, 6.7, 6.8, 6.9</p>

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p><u>WORKER UNION OF PASOH POM (Representative)</u></p> <ul style="list-style-type: none"> The worker union representative mentioned that they have received salary from the company based on the minimum wage. There is no other issue with the management and he also mentioned that the entire worker has been treated equally by the management. 	<ul style="list-style-type: none"> The worker's salary is accordance to the regulation. Pasoh complex management unit will maintain the workers issues. 	<p>The management unit of Pasoh complex is implementing the all the workers issues according to the regulation. Refer to criterion 2.1, 4.7, 6.5, 6.6, 6.7, 6.8, 6.9</p>

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table border="0" style="width: 100%;"><tr><td style="width: 50%; text-align: center;"><p>Felda Global Ventures - FELDA</p><p><u>En. Norazam Abdul Hameed</u> 27 November 2015</p></td><td style="width: 50%; text-align: center;"><p>Mutuagung Lestari</p><p>Lead Auditor</p><p><u>Octo HPN Nainggolan</u> 27 November 2015</p></td></tr></table>	<p>Felda Global Ventures - FELDA</p>  <p><u>En. Norazam Abdul Hameed</u> 27 November 2015</p>	<p>Mutuagung Lestari</p> <p>Lead Auditor</p>  <p><u>Octo HPN Nainggolan</u> 27 November 2015</p>
<p>Felda Global Ventures - FELDA</p>  <p><u>En. Norazam Abdul Hameed</u> 27 November 2015</p>	<p>Mutuagung Lestari</p> <p>Lead Auditor</p>  <p><u>Octo HPN Nainggolan</u> 27 November 2015</p>		

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

No	Institution/NGO/Community	Address	Phone/Email	Form of Communication	Date of Contact	Response	
						Yes	No
External Stakeholders							
1	FORM – IPO, Jempol Agency.	Jempol, Negeri Sembilan	-	FGD	1 October 2014	√	
2	GB SK Pasoh-3	Jempol, Negeri Sembilan		FGD	1 October 2014	√	
3	Jabatan Kemajuan Masyarakat TITI	Jempol, Negeri Sembilan		FGD	1 October 2014	√	
4	JKKR TITI	Jempol, Negeri Sembilan		FGD	1 October 2014	√	
5	SK SEPRI TENGAH	Jempol, Negeri Sembilan		FGD	1 October 2014	√	
6	KB FELDA TITI GPW	Jempol, Negeri Sembilan		FGD	1 October 2014	√	
7	Pegawai GPW Pasoh-3	Jempol, Negeri Sembilan		FGD	1 October 2014	√	
8	Contractors (Azman Bin Mat Tan)	Jempol, Negeri Sembilan		FGD	1 October 2014	√	
9	Malaysian CropLife & Public Health Association (MCPA)	11 (1st Floor), Jalan SS 26/8, Taman Mayang Jaya, Selangor Darul Ehsan		Email	28/8/2014		√
10	All Women's Action Society (AWAM)	85, Jalan 21/1, Sea Park, 46300 Petaling Jaya		Email	28/8/2014		√
11	Pesticide Action Network Asia and the Pacific (PAN AP)	P.O. Box 1170, Penang, 10850 Malaysia		Email	28/8/2014		√
12	BCSDM - Business Council for Sustainable Development in Malaysia	Suite 803, MBE Pavilion KL, Lot No. B1.03.00, Level B1, Pavilion KL, 168, Jalan Bukit Bintang, 55100 Kuala Lumpur.		Email	28/8/2014		√
13	Sustainable Development Network Malaysia (SUSDEN)	B-2114 Tingkat Satu, Jalan Merpati 25300 Kuantan, Pahang		Email	28/8/2014		√
14	Centre for Environment, Technology and Development, Malaysia – CETDEM	17 Jalan SS2/53, 47300 Petaling Jaya		Email	28/8/2014		√
15	Environmental Management and Research Association of Malaysia (ENSEARCH)	30-3, Jalan PJU 5/16, Dataran Sunway, Kota Damansara, 47810 Petaling Jaya, Selangor		Email	28/8/2014		√
16	Environmental Protection Society Malaysia (EPSM)	No. 60, Jalan 21/35, 46300 Petaling Jaya, Selangor, Malaysia		Email	28/8/2014		√
17	Friends of the Earth, Malaysia (NGO)	Sahabat Alam Malaysia (Headquarters) No. 258 Jalan Air Itam 10460 Penang, Malaysia		Email	28/8/2014		√
18	Malaysian Environmental NGOs – MENGO	No. 41, Lorong Burhanuddin Helmi 11, Taman Tun Dr. Ismail, 60000 Kuala Lumpur, Malaysia.		Email	28/8/2014		√
19	Treat Every Environment	No.72, Jalan SS4/10, 47301,		Email	28/8/2014		√

	Special Sdn Bhd. (TrEES)	Petaling Jaya, Selangor Darul Ehsan, Malaysia					
20	Center for Orang Asli Concerns COAC	P.O. Box 3052, Subang Jaya, Malaysia		Email	28/8/2014		√
21	SUHAKAM - National Human Rights Society - Persatuan Kebangsaan Hak Asasi Manusia	11th Floor, Menara TH Perdana, Jalan Sultan Ismail, 50250 Kuala Lumpur.		Email	28/8/2014		√
22	Malaysian National Animal Welfare Foundation - MNAWF	Wisma Medivet, 8, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia		Email	28/8/2014		√
23	Proforest - South East Asia Regional Office	Suite #303 MBE Desa Sri Hartamas No. 30G, Jalan 25/70 A 50480 Kuala Lumpur		Email	28/8/2014		√
24	Wetlands International (Malaysia)	3A31 Block A, Kelana Centre Point, Jalan SS7/19, 47301 Petaling Jaya		Email	28/8/2014		√
25	Wild Asia Sdn Bhd	Upper Penthouse, Wisma RKT, No 2 Jalan Raja Abdullah, 50300 Kuala Lumpur		Email	28/8/2014		√

Appendix 2. Assessment Program

DATE	29 SEPTEMBER – 3 OCTOBER 2014 & 17 November 2015				
PROGRAM	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR			
		MT	MN	ON	MH
MONDAY, 29 September 2014					
09.00 - 10.00	Opening Meeting	√	√	√	√
10.00 - 13.00	Document review at Pasoh Palm Oil Mill WWTP, Mill Operational, Safety and Health, Supply Chain, Hazardous Waste Management	√	√	√	√
13.00 – 14.00	BREAK				
14.00 – 17.00	Document review / Field Observation at Pasoh Palm Oil Mill WWTP, Mill Operational, Safety and Health, Supply Chain, Hazardous Waste Management	√	√	√	√
TUESDAY, 30 September 2014					
08.00 - 13.00	Field Observation to Pasoh Palm Oil Mill WWTP, Mill Operational, Safety and Health, Supply Chain, Hazardous Waste Management	√	√		
	Field Observation to FELDA / FTP Pasoh 3 <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Best Agricultural Practices • Worker Welfare (payments, complaint mechanism, etc.) • Legal operational boundary and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) • Land Fire facilities, Storage, etc. • Hazardous Waste Material management 			√	√
13.00 – 14.00	BREAK				
14.00 – 17.00	Continue Field Observation to FELDA / FTP Pasoh 3	√	√	√	√
WEDNESDAY, 1 October 2014					
08.00 – 13.00	Field Observation to/ FELDA / FTP Pasoh 3		√	√	
	Stakeholders consultation to Nearest village and community leader, labour union, gender committee. Stakeholders consultation to Related Government Institution (District Government and local NGO)	√			√
13.00 – 14.00	BREAK				
14.00 – 17.00	Field Observation to FELDA Titi 2 <ul style="list-style-type: none"> • Worker Welfare (payments, complaint mechanism, etc.) • Legal operational boundary and Conservation Area • Worker facilities (housing, health clinic, clean water, etc) • Land Fire facilities, Storage, etc. • Hazardous Waste Material management 	√	√	√	√
THURSDAY, 2 October 2014					
08.00 – 13.00	Field Observation to FELDA Titi 2 <ul style="list-style-type: none"> • Manuring, Spraying, Harvesting, Best Agricultural Practices • Worker Welfare (payments, complaint mechanism, etc.) • Legal operational boundary and Conservation Area 	√	√	√	√
13.00 – 14.00	BREAK				
14.00 – 17.00	Completion of checklist / Audit finding preparation	√	√	√	√
FRIDAY, 3 October 2014					
08.00 – 10.00	Team meeting & briefing to client representative	√	√	√	√
10.00 – 12.30	Closing Meeting	√	√	√	√
TUESDAY, 17 November 2015					
08.00 – 17.00	Additional Audit of Reduction scope by Desk Review			√	