

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

Stage-1 Stage-2 Surveillance Re-Assessment

Name of Management Organisation : Kemahang Palm Oil Mill, Felda Global Ventures subsidiary of FELDA
Plantation Name : Kemahang 01 Estate; Kemahang 02 Estate; Kemahang 03 Estate; Kemahang 04 Estate
Location : Tanah Merah, Kelantan, Malaysia
Certificate Code : **MUTU-RSPO/066**
Date of Certificate Issue : 28 JULY 2015 **Date of License Issue** : 28 JULY 2015
Date of Certificate Expiry : 27 JULY 2020 **Date of License Expiry** : 27 JULY 2016

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ST-1	26 February 2015	Mahaswaran Maliyapan, Hari Naveen Christopher, Nur Diana MP	Ganapathy Ramasamy	Tony Arifiarachman
ST-2	6-9 April 2015	Bukti Bagja, Mahaswaran Maliyapan, Mohd Nizam, Mohd Hairimi		

Assessment	Approved by MUTUAGUNG LESTARI on:
ST-2	28 July 2015

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Figure 1. Location Map of Kemahang Complex

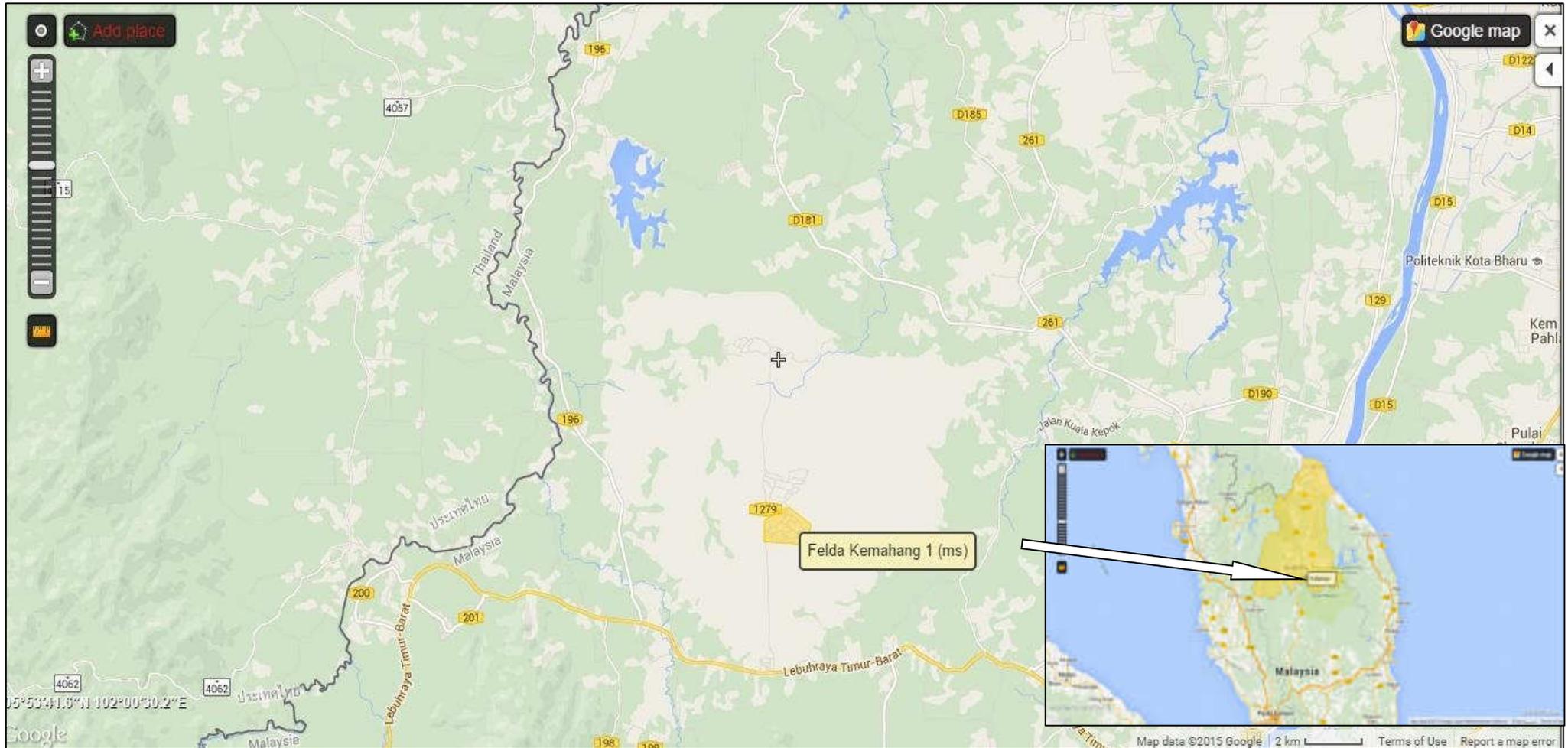


Figure 2. Location Map of Kemahang-01 Estate

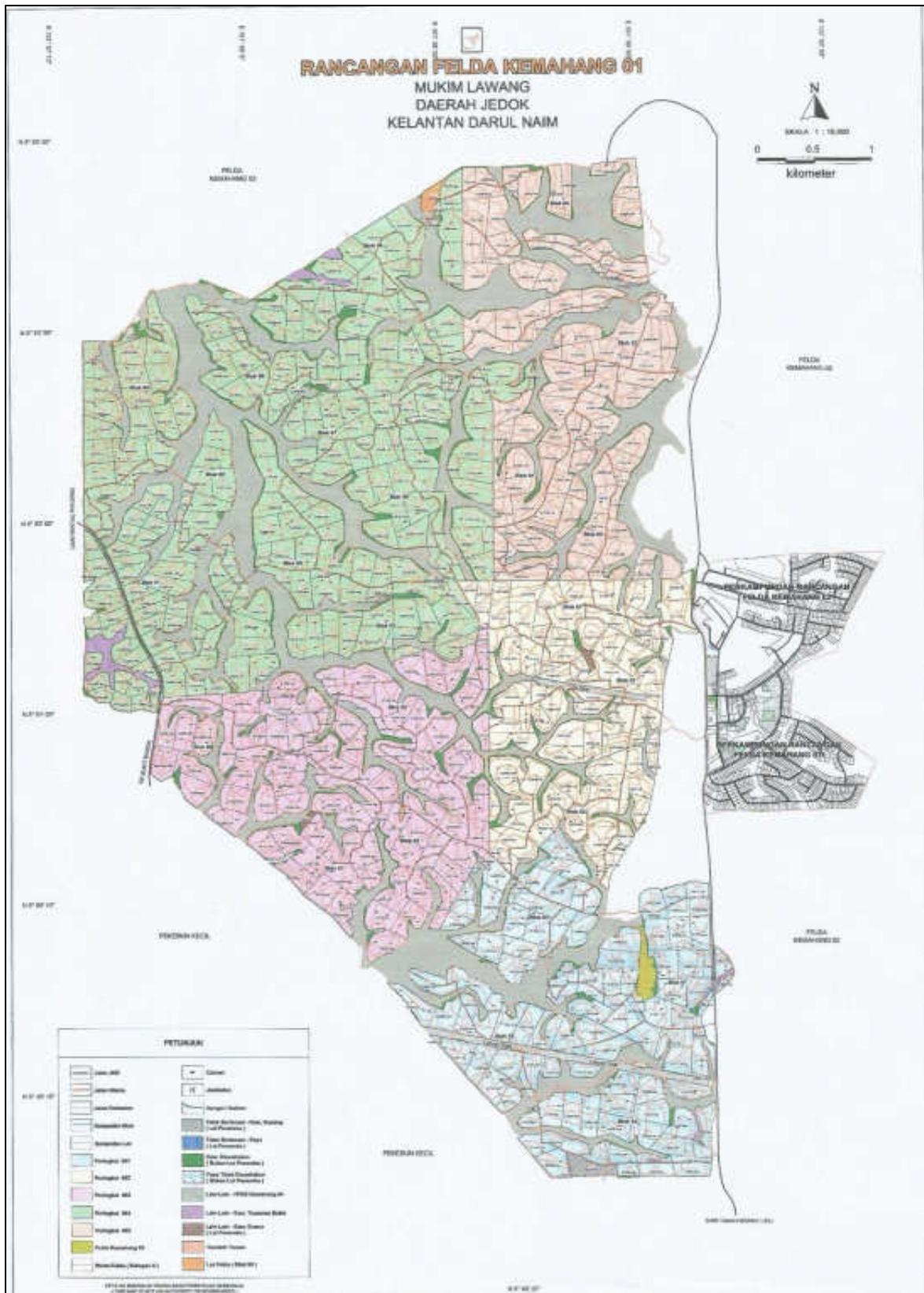


Figure 3. Operational Map of Kemahang-02 Estate

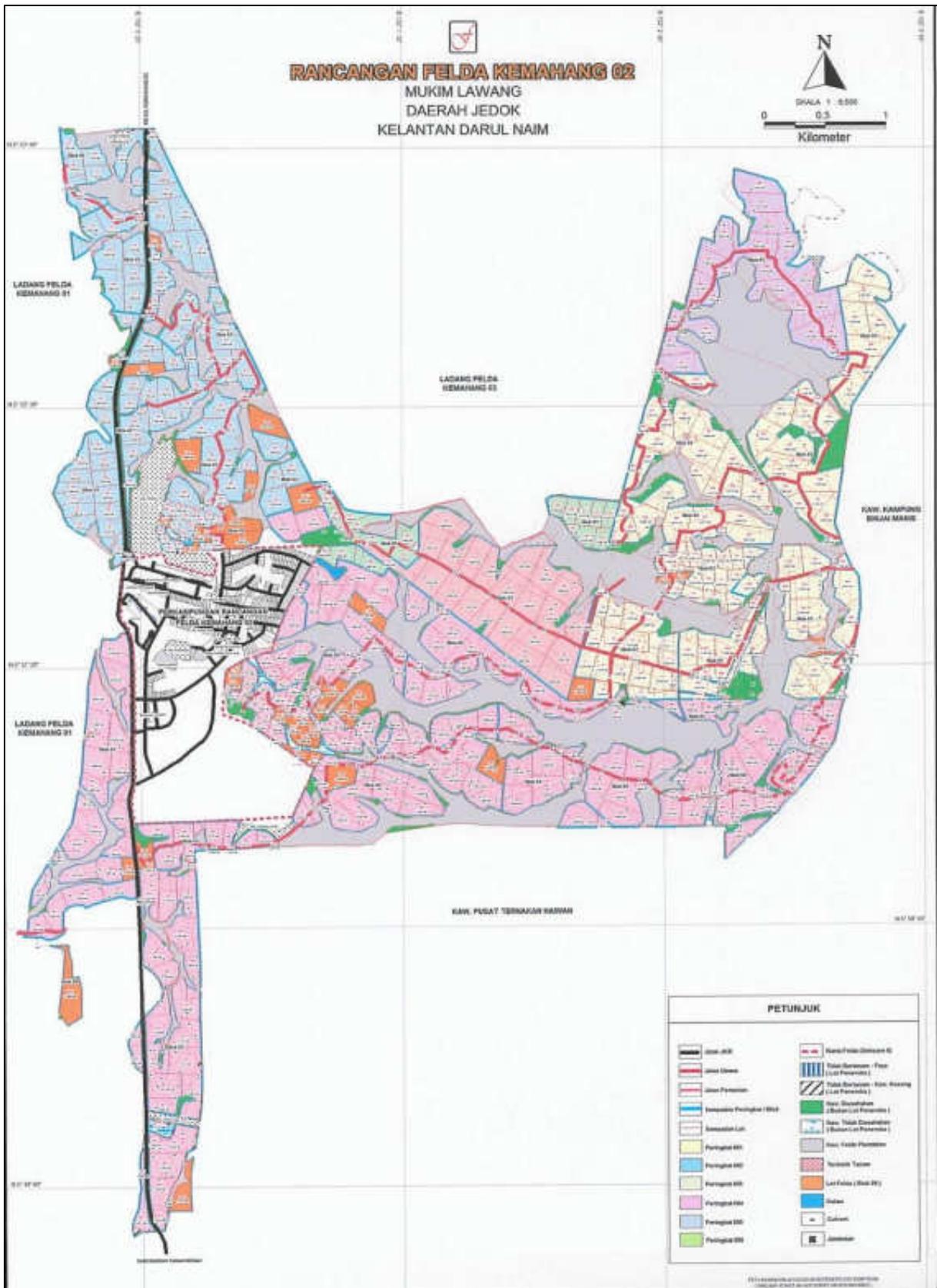


Figure 4. Operational Map of Kemahang-03 Estate

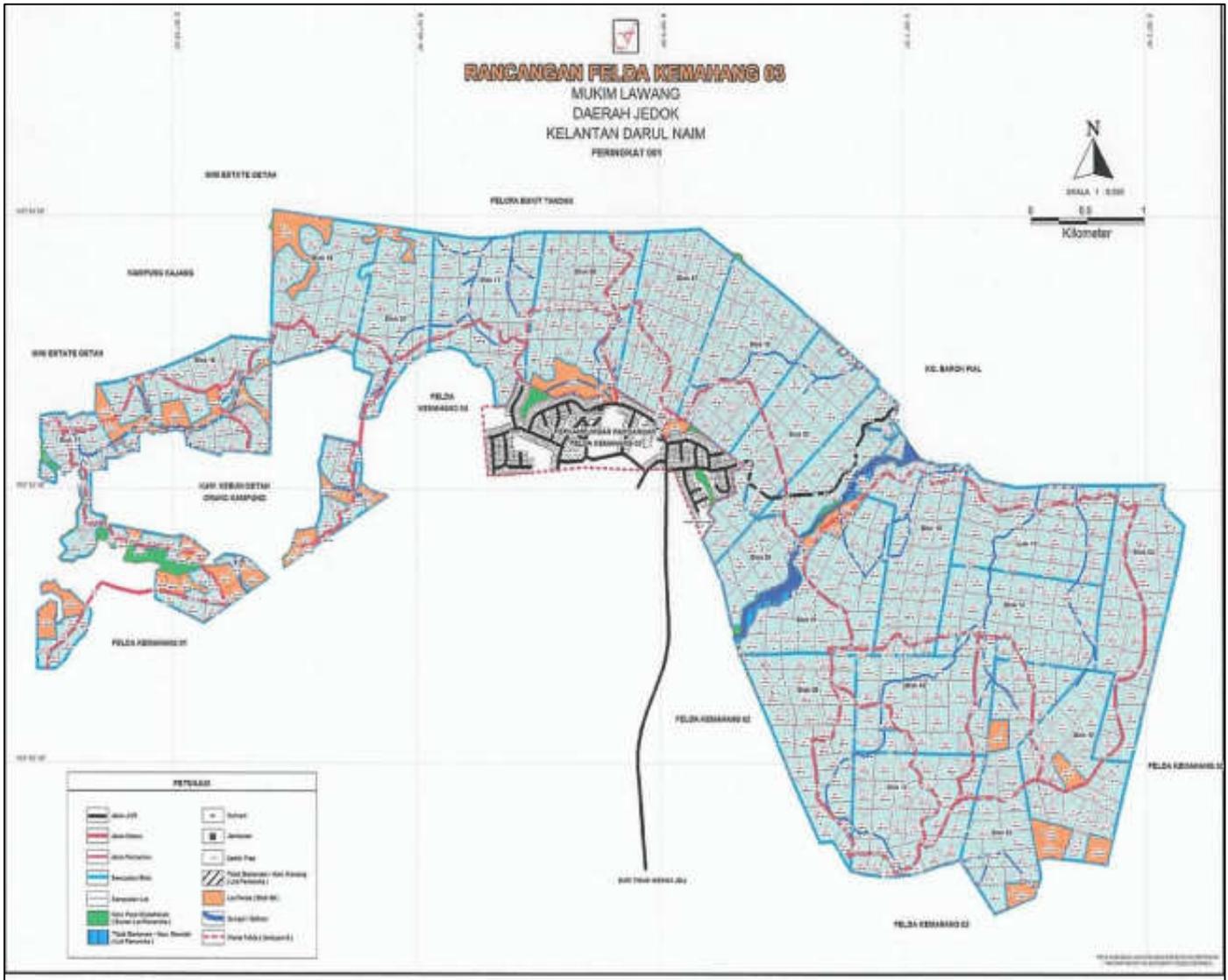
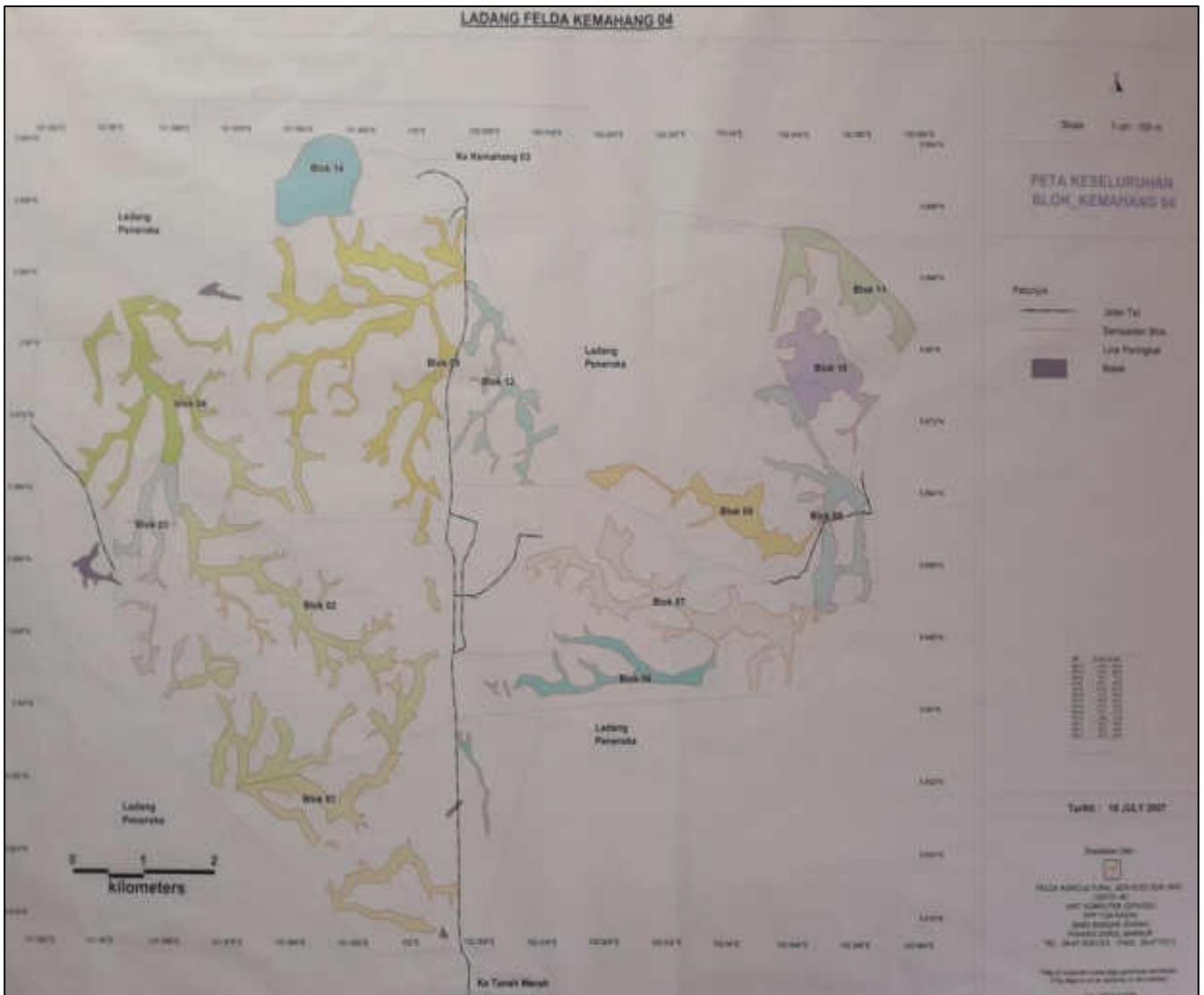


Figure 5. Operational Map of Kemahang-04 Estate



Abbreviations Used

ASA	:	Annual Surveillance Assessment
BOD	:	Biological oxygen demand
BTS	:	Buah Tandan Sawit
CHE	:	Cholinesterase
CPK	:	Certified Palm Kernel
CPO	:	Crude palm oil
CSPO	:	Certified Sustainable Palm Oil
CSR	:	Company Social Responsibility
DOSH	:	Department of Occupational Safety and Health
E	:	Emergency
EIA	:	Environmental Impact Assessment
EFB	:	Empty Fruit Bunch
EHS	:	Environmnet Health and Safety
FASSB	:	Felda Agricultural Services Sdn Bhd
FELDA	:	Federal Land Development Authority
FFA	:	Free Fatty Acid
FFB	:	Fresh Fruit Bunch
FGVP	:	Felda Global Ventures Plantation
FPI SB	:	Felda Palm Industry Sdn Bhd
FPIC	:	Free Prior and Inform Concern
FR	:	Frequency Rate
FTP	:	Felda Techno Plant
HCV	:	High Conservation Value
IPM	:	Integrated Pest Management
KCP	:	Kernel Crushing Plant
LA	:	Land Application
LC	:	Land Clearing
LCC	:	Legume Cover Crop
LSU	:	Leaf Sampling Unit
ML	:	Manual Lestari (Sustainable Manual)
MPOB	:	Malaysian Palm Oil Board
OER	:	Oil Extraction Rate
OHS	:	Occupational Health and Safety
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
PPE	:	Personal Protective Equipment
QOSHE	:	Quality Occupational Safety Health and Environment
RSPO	:	Roundtable on Sustainable Palm Oil
SCCS	:	Supply Chain Certification Standard
SIA	:	Social Impact Assessment
SMK	:	Sekolah Menengah Kejuruan (High Shool)
SOP	:	Standar Operations Procedure
SR	:	Severity Rate
ST-1	:	Stage-1 Assessment
ST-2	:	Stage-2 Assessment (Initial Assessment)

1.0	SCOPE of the CERTIFICATION ASSESSMENT		
1.1	National Interpretation Used	<ul style="list-style-type: none"> • <i>RSPO Principles and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013.</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	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 Tingkat 3 Balai Felda, Jalan Gurney Satu, Kuala Lumpur, Malaysia 54000	
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	1 (one) Palm Oil Mill and 4 (four) Oil Palm Estates: Kemahang Palm Oil Mill supplied by Kemahang 01 Estate; Kemahang 02 Estate; Kemahang 03 Estate; Kemahang 04 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
	Kilang Sawit Kemahang	Kilang Sawit Kemahang, Peti Surat 35, 17507, Tanah Merah, Kelantan	N 5°51'58" E 102°0'20"
1.4.2	Location of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Latitude
	FELDA/FTP Kemahang 01	Felda Kemahang 01, 17500 Tanah Merah, Kelantan Darul Naim	N 5° 51' 01" E 102° 00' 2"
	FELDA/FTP Kemahang 02	Felda Kemahang 02, 17500 Tanah Merah, Kelantan Darul Naim	N 5° 51' 26" E 102° 00' 33"
	FELDA Kemahang 03	Felda Kemahang 03, 17500 Tanah Merah, Kelantan Darul Naim	N 5° 48' 15" E 102° 00' 22"
	FELDA Kemahang 04	Felda Kemahang 04, 17500 Tanah Merah, Kelantan Darul Naim	N 5° 53' 50" E 102° 00' 18"

1.5 Description of Area Statement							
1.5.1	Tenure						
	• State	1,704.60 Ha					
	• Community	7,575.08 Ha					
1.5.2 Area Statement							
	• Total area				9,279.68	Ha	
	• Mature area				7,626.22	Ha	
	• Immature area				64.84	Ha	
	• Mill				18.75	Ha	
	• Worker quarters				4.00	Ha	
	• Infrastructure				698.13	Ha	
	• Nursery				0.00	Ha	
	• Conservation Area				0.00	Ha	
	• Others area				867.74	Ha	
• HCV				0.00	Ha		
1.6 Planting Year and Cycles							
1.6.1	Age profile of planting year						
	Planting Year	Hectarage					
		Kemahang 01 (Ha)	Kemahang 02 (Ha)	Kemahang 03 (Ha)	Kemahang 04 (Ha)	Total (Ha)	
	1994	-	-	-	98.81	98.81	
	2003	-	-	-	830.67	830.67	
	2002	2,591.86	-	-	-	2,591.86	
	2004	-	1,745.33	-	314.12	2,059.45	
	2010	-	-	1,980.59	-	1,980.59	
	2014	-	-	64.84	-	64.84	
	TOTAL	2,591.86	1,745.33	2,045.43	1,243.60	7,626.22	
1.6.2	New Planting area after January 2010		64.84			Ha	
1.6.3	Planting Cycle		2nd			cycle	
1.7 Description of 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 (%)
	KEMAHANG	45	176,285.10	37,543.81	21.29	8,910.00	5.05
<i>Source production data April 2014 until March 2015, including FFB from uncertified supplier</i>							

1.7.2	Description of Certification Scope of Supply Base							
	Name of Estates	Total Area (Ha)	Planted (Ha)		FFB (tonnes/year)	Yield (tonnes/ha/year)	Supplied to Mill	
Mature			Immature	FFB (tonnes/year)			%	
	FELDA/FTP Kemahang 01 (455 Peneroka)	3,345.09	2,591.86	-	49,958.46	19.28	49,958.46	100%
	FELDA/FTP Kemahang 02 (301 Peneroka)	2,093.24	1,745.33	-	33,924.22	19.43	33,924.22	100%
	FELDA Kemahang 03 (452 Peneroka)	2,320.56	2,045.43	64.84	6,929.65	3.39	6,929.65	100%
	FGV Kemahang 04	1,520.79	1,243.60	-	16,045.23	12.90	16,045.23	100%
	TOTAL	9,279.68	7,626.22	64.84	106,857.56	13.84	106,857.56	100%
	<i>Based on Received FFB Data at Kemahang Mill from April 2014 until March 2015</i>							
1.7.3	Smallholders and other source							
	Name of sources	Members	Location	Supplied to Mill				
FFB (tonnes/year)				%				
	T& A MACHANG	Independent Smallholder	LOT 1192, JALAN TANAH MERAH, KG PANGKAL CHENDOK, 18500 MACHANG, KELANTAN	55,244.81	-			
	TAI ICHI ENTERPRISE	Independent Smallholder	LOT 956, MUKIM TEBING TINGGI, KG CHERANG GALI, 17500 TANAH MERAH, KELANTAN	10,039.37	-			
	MENGKEBANG ESTATE	Independent Smallholder	LADANG MENGKEBANG, 18000 KUALA KRAI, KELANTAN	1,524.55	-			
	RISDA PLANTATION	Independent Smallholder	RISDA MACHANG, PEJABAT RISDA MACHANG, JALAN RISDA, 18500 MACHANG, KELANTAN	2,533.68	-			
	SAR NIBONG ENTERPRISE	Independent Smallholder	NO 16, JALAN KUBUR, KAMPUNG NIBONG, 17500 TANAH MERAH, KELANTAN	1,391.41	-			
	TAIKO PLANTATION SDN BHD	Independent Smallholder	WISMA TAIKO, JALAN S.P SEENIVASAGAM, 30000 IPOH, PERAK DARUL RIDZUAN	950.79	-			
	PEKEBUN KECIL	Independent Smallholder		2,624.60	-			
	TOTAL			69,427.54				
	<i>Based on Received FFB Data at Kemahang Mill from April 2014 until March 2015</i>							
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			NIL		NIL		
	• CPO Production			NIL		NIL		
	• Palm Kernel (PK) Production			NIL		NIL		
	** Certificate Claim will be verified during the next assessment (first Surveillance)							

1.8.2	Estimate Claim Certified of FFB					
	Name of Estates	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)	
	FELDA/FTP Kemahang 01 (455 Peneroka)	3,345.09	2,591.86	53,652	20.7	
	FELDA/FTP Kemahang 02 (301 Peneroka)	2,093.24	1,745.33	36,477	20.9	
	FELDA Kemahang 03 (452 Peneroka)	2,320.56	2,045.43	13,091	6.4	
	FGV Kemahang 04	1,520.79	1,243.60	17,783	14.3	
	TOTAL	9,279.68	7,626.22	121,003	15.9	
1.8.3	Estimate Claim Certified of Palm Product					
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/ year)	CPO		Palm Kernel
				Out put (tonnes)	Extraction (%)	Out put (tonnes) Extraction (%)
	KILANG SAWIT KEMAHANG	45	121,003	26,016	21.5	6,171 5.1
1.9	Other Certifications					
	ISO 9001:2008/ISO 14001: 2004		01 September 2017 – AR 3745 / 01 September 2017 – ER 0482			
	OHSAS 18001:2007		01 September 2017 – SR 0197			
1.10	Time Bound Plan					
1.10.1	Time Bound Plan for Other Management Units					
No.	Management Unit	Address		Ha	Time Bound Plan	Status (Actual)
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		9,597	Q1, 2013	Certified: 2012

		Tinggi, Johor			
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	Certified: 2014
30	Mercu Puspita	Kilang Sawit Mercu Puspita, Peti Surat 29, 91150, Cenderawasih, Lahad Datu, Sabah	12,734	Q3, 2014	Certified: 2014
31	Nilam Permata	Kilang Sawit Nilam Permata, Peti Surat 23, 91150, Cenderawasih, Lahad Datu, Sabah	8,359	Q3, 2014	Certified: 2014
32	Hamparan Badai	Kilang Sawit Hamparan Badai, Peti Surat 25, 91150, Cenderawasih, Lahad Datu, Sabah	17,212	Q3, 2014	Certified: 2014
33	Embara Budi	Embara Budi Peti Surat No. 28, 91105 Lahad Datu, Sabah	15,070	Q2, 2014	Certified: 2014
34	Lancang Kemudi	Lancang Kemudi, Felda Sahabat 45, Lahad Datu, Sabah	10,698	Q2, 2014	Certified: 2014
35	Kalabakan	Kilang Sawit Kalabakan, Peti Surat No. 62007, 91030 Tawau, Sabah	7,352	Q2, 2014	Certified: 2014
36	Umas	Kilang Sawit Umas, WDT 43,91009, Tawau, Sabah	8,356	Q2, 2014	Certified: 2014
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	Certified: 2014
39	Krau	Kilang Sawit Krau, Peti Surat 17, 28700 Bentong, Pahang	14,619	Q3, 2014	RSPO approval: 2014
40	Pancing	Kilang Sawit Pancing, Peti Surat 257, 25730 Kuantan, Pahang	3,850	Q3, 2014	Certified: 2014
41	Neram	Kilang Sawit Neram, Pejabat Pos Mini Felda Neram 1, 26160 Kuantan, Pahang	15,262	Q3, 2014	RSPO approval: 2014

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

71	Pontian Plantation	Kilang Sawit Pontian Plantation, KM52 off Jalan Sandakan-Lahad Datu, PO Box 60525, 91114 Lahad Datu, Sabah	14,978	2016/2017	Audited: 2015
1.10.2	<p>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</p> <p>All the outgrowers which supplies to Besout 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
ST-2/	<p>1. Bukti Bagja (Lead Auditor) Indonesian citizen. Master of Science majoring environment, University of Indonesia. More than 10 years experience in environmental sector. Certified RSPO Lead Auditor, involved in various RSPO assessment in Indonesia and Malaysia as Lead Auditor. He too experienced in numbers of international environmental project in Indonesia. Had attended various relevant training i.e. Auditor/Lead auditor Management System Certification (ISO 9001-2008). HCV assessment, Indonesian Sustainable Palm Oil Lead auditor, ArcGIS, MAPInfo, ER MAPPER, ERDAS Imagine. During this ST-2 audit, he assigned to verify of supply chain, environmental aspect and conservation aspect.</p> <p>2. Mahaswaran Malipayan (Auditor) Malaysian citizen, More than 15 years working experience in various industries in Malaysia that covering the full spectrum of Quality and Environmental Management System. As certified Lead Auditor and being the Principle Consultant. He too has vast exposure and experience in Quality Environmental Management System as well the Occupational, Health and Safety auditing. He owns proven track records of auditing various multinational companies both locally and internationally. In this assessment he assessed on Environment Aspect, supply chain, safety and health, good in local language</p> <p>3. Mohd Nizam (Auditor), Malaysian citizen, 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 best agricultural practices, Integrated Pest Management, environmental aspect and fluent in local language</p> <p>4. Mohd Hairimi (Auditor), Malaysian citizen, Graduated from University Kebangsaan Malaysia with a Masters of Social Science (Social and Environmental Impact Assessment) and Bachelor of Social Sciences with Honours (Geography). Registered as assistant consultant on Social Impact Assessment with DOE Malaysia AC 1105, and certified on CESSWI 3756 (Certified Erosion Sediment and Storm Water Inspector). He was involved for past 5 years in environment auditing and in Social and Environmental Impact Assessment Report (EIA and SIA). In this assessment he assessed Social aspect, worker welfare, transparency and fluent in local language</p>
2.2	Assessment Methodology, Assessment Process and Locations of Assessment
2.2.1	Figure of person days to implement assessment
ST-2	<p>Number of auditors : 4 auditor assisted by 2 assistants</p> <p>Number of days for ST-2 at site : 4 days</p> <p>Number of working days for ST-2 at site : 16 Working days for auditor</p>
2.2.2	Detail process of assessment
ST-2	<p>The assessment was conducted by measuring the sufficiency of implementation and consistency of the FELDA GLOBAL VENTURE – FELDA Plantations: Kemahang complex to the requirements of Malaysian National Interpretation of the RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO MYNI, March 2015 and Supply Chain Requirement for CPO Mill 2014)</p> <p>The assessment was conducted in three methods: (1) document review, aiming at observing the sufficiency of types or substances from required documents; (2) interview with management and stakeholders, aiming at obtaining more detailed information and information cross check; and (3) field observation, aiming at observing directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement as the results of initial audit (ST-2) had also delivered by the MUTU auditors to the management unit and the results are the subject will be verified at the next assessment phase.</p> <p>Improvement of findings from main assesment findings were observed by auditors at this initial stage (ST-2)</p>

assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MAL) and part of *Surveillance 1 Audit (ASA-1)*

The assessment program please find Appendix 2

2.2.3

Locations of Assessment

ST-2

Kemahang Mill

- **FFB Loading area.** Mill staff interviewed was Mahazan Idris (MQI). Mill area was comparatively cleaned. Staff has a good knowledge and skill.
- **All stations in mill.** All stations in Mill area were cleaned. Safety and health aspect have been well implementing. Staffs have a good knowledge and skill.
- **POM Effluent Treatment Ponds.** There are 14 series of ponds and 1 biogas plant. Final discharge quality was monitored regularly while methane gas was flared (burnt). Fibre waste from mesocarp was recycled for boiler while FBB was recycled to estates. Effluent sludge was dried and sold as organic fertilizer.

Kemahang 01 Estate

- **Batu Sempadan at Peringkat 1 Blok 4.** Legal boundary was well demarcated. Marker was well maintained as well.
- **Low land area at Peringkat 4 Blok 3.** No indication of natural river or HCV area, only dried field drainage due to dry season
- **Main Road at Peringkat 4 Blok 6.** Illegal waste dumping with improper handling from FELDA
- **Worker's House at Kemahang 01.** Workers house were neatly clean, and the water was extracted from the ground water. The workers were treated fairly by FELDA.
- **Housing settlers at Kemahang 01.** The settlers house at Kemahang 01 are properly located at the Kemahang 01 village and their surrounding compound is tidy.
- **Lot 7.** Interview harvesters to understand their knowledge on RSPO criteria 4.7. Good OHS knowledge observed and no negative issues resulted from interview.
- **Chemical and fertilizer store.** The stores were newly build and well maintained. Sufficient basic needs of PPE and 1st aid kits sighted.
- **Estate Block with self- manage (Urus Sendiri) :**
 - Kasim b.Awanglah = Block1
 - Mohd Fadli =Block16
 - Mohd Khairul =Block 20
 - Akhizaman = Block 2
 - Amin b.Awang = Block1

All the 5 blocks that visited were relatively well upkeep in term of agro-practice. Fertiliser application was according to FELDA recommendation. Woody plant eradication was done manually by hand. Understanding about RSPO still new and need more exposure by FELDA management.

- **Fertiliser Store.** Building was newly constructed and fertilisers was properly arrange.
- **Chemical Store.** The store building was an old structure. Mixing and cleaning facilities was just constructed. Eye washing facility was not seen.

Kemahang 04 Estate

- **Batu Sempadan at Peringkat Blok 8.** Legal boundary was well demarcated, Marker was well maintained.
- **Low land area at Peringkat 4 Blok 8.** No indication of natural river or HCV area. Field drainage was dry due to dry sesason. However, FELDA has allocated buffer area at the drainage.
- **Lowland area at Peringkat 2.** No indication of natural river or HCV area.
- **Workers House of Kemahang 04.** Workers quarters were observed in good condition and conducive surrounding. Water supply are from the Kelantan water and provided with 24 hours of electricity for free.
- **Lot 2187.** Interview workers on OHS awareness and spot audited the PPE and 1st aid kit availability.
- **Chemical and fertilizer store.** Still under construction and temporary storage was located at contractors premise .A poor management sighted on on-going construction of chemical store. Nonconformity issued for not

	<p>complying to OHS procedures.</p> <ul style="list-style-type: none"> • Harvesting activity at Paya Klon, Peringkat 6/Block 5. Workers interviewed: Najmudin and Ardi Estate condition was relatively clean and well maintained. Workers were using proper PPE such as safety helmet and boot. Estate roads and drains were well maintained
2.3	Stakeholder Consultation and Stakeholders Contacted
2.3.1	Summary of stakeholder consultation process.
ST-2	<p>Consultation of stakeholders was held by:</p> <ol style="list-style-type: none"> 1. Public Notification 30 days before the initial assessment (6 March 2015) and uploaded on RSPO, company and certification body websites. 2. Public consultation meeting with: <ul style="list-style-type: none"> - Internal stakeholders representatives, such as worker union and gender committee on April 6 and 7, 2015. - Representatives of local settler of Kemahang 01, 02, 03, and 04 on April 7, 2015. <p>Numbers of input from stakeholders have been clarified by Felda Global Ventures – FELDA and have been incorporated in this initial stage (ST-2) report.</p>
2.3.2	Stakeholder contacted
	<i>Please find appendix 1</i>
2.4	Determining Next Assessment
	The next visit (ASA-1) planned on period of April to June 2016.

3.0. ASSESSMENT RESULT

3.1. Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Kemahang POM, Felda Global Ventures – FELDA, where operation consisting of 1 (one) mill and 4 (four) oil palm estates.

During the assessment, 1 (one) non-conformity was assigned against major compliance Indicators, 4 (four) non-conformities were assigned against minor compliance Indicators, and 6 (six) opportunities for improvement were shared with management unit.

The company has prepared and implemented necessary corrective actions and all of evidences have been reviewed by auditor. Further explanation of those non-conformities raised and corrective actions taken by the company are provided in section 3.5.

MUTUAGUNG LESTARI found that Kemahang Mill, Felda Global Ventures – FELDA, complied with the requirements of Malaysian National Interpretation (MYNI), March 2015 and RSPO Supply Chain Certification Standard November 2014 for CPO Mill. Therefore MUTUAGUNG LESTARI recommends RSPO certification of compliance to be issued.

Ref Std.	VERIFICATION RESULT of MUTU-Certification	
PRINCIPLE #1 COMMITMENT TO TRANSPARENCY		
1.1	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	
	<p>There were evidences that growers and millers provided adequate information upon request for information as observed through the following documents:</p> <ul style="list-style-type: none"> - Complaint Book (<i>buku aduan</i>) that contains all complaint from external stakeholders.. - Incoming letter register book that contains record of all incoming letters including from external stakeholders. - Archives of all incoming letters including their responses - Archives of all outgoing letters to external stakeholders <p>As guidance to information sharing with stakeholder, there were Standard Operating Procedure (SOP) and policy regarding constructive and prompt response upon information request from stakeholders:</p> <ul style="list-style-type: none"> - Procedure number ML-1A/L2-PR3 (0) effective since March 2012 concerning “Prosedur Komunikasi Penglibatan dan Rundingan” that regulate communication procedure with external stakeholder including media and local government. - Policy on communication signed by Datuk Faizoull Ahmad on 01.06.2014 which stated that “Pihak pengurusan bertanggung jawan berkomunikasi dengan petugas tentang pentingnya pencapaian matlamat kualiti alam sekitar, keselamatan dan kesihatan pekerjaan. Pengurus juga akan menilai cadangan yang dikemukakan oleh petugas. 	
	Status: Full comply	
1.2	Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	
	<p>Relevant management documents were publicly available except those that are prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. Amongst publicly available management documents according to the prevail SOP were:</p> <ul style="list-style-type: none"> - Land titles /ser rights (<i>Geran tanah / Hak pengguna</i>); - Occupational health and safety plans (<i>Pelan Kesihatan dan Keselamatan</i>) - Plans and impact assessments relating to environmental and social impacts (<i>Pelan dan Impak taksiran berkaitan alam sekitar dan sosial</i>); 	

- HCV documentation summary (*Laporan Pengenalpastian HCV dan Pelan Pengurusan HCV & Biodiversity*)
- Pollution prevention and reduction plans (*Pelan pencegahan pencemaran*);
- Details of complaints and grievances (*Buku Aduan at Mills and Estates*);
- Continual improvement plans (*Pelan pembangunan yang berterusan*);
- Company policies including Human Rights Policy (*Polisi Hak Asasi Manusia*).

Example of compliance on Information sharing obligatory with relevant authorities, such as:

- Three months report on effluent quality including effluent test result to Local Environmental Office (*Pengarah Alam Sekitar, Negeri Kelantan*)
- Report of accident to Local Labour Office
- Report of stack sampling boiler to Local Environment Office,
- Regular Statistical statement to MPOB
- Other obligatory documents

Status: Full comply

PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

1.3

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

There was written policy committing to a code of ethical conduct and integrity in all operations and transactions. The document had been well documented and disseminated to all level and operations including external stakeholder through a stakeholder meetings on March 18th 2015 attended by 77 internal and external stakeholder.

The policy available in document entitled: "Policy in ethical code and intergrity / Polisi Kod etika kerja dan Integriti" signed by Mohammed Emir Mavani Abdullah (President & CEO FGV) and Datuk Faizoull Ahmad (Pengarah Besar FELDA) on 01-06-2014. The policy regulate the following things:

- anti corruption (*menolak amalan rasuah, korupsi, dan pecah amanah*)
- conflict of interest (*menghindarkan sebarah pencanggahan kepentingan*)
- fair trading (*melaksanakan urusan perniagaan dengan tulus, jujur, dan adil*)
- confidentiality (*melindungi kerahasiaan maklumat perkumpulan selaras dengan etika penghebahan maklumat mengikuti peraturan*)
- professionalism (*meningkatkan tahap profesionalisme*)

Status: Full Compliance

2.1

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

Sighted records of permits and licenses well maintained in the respective mill and estate offices. There were responsible persons assigned to ensure that renewals to be done before the expiry dates to ensure no lapses in the compliance to Malaysian government laws and regulations. There was a documented procedure established [FPI/L2/QOHSE-2.0] effectively describes on how the team in HQ updates and communicates the contents of the legal requirements on group level. The distribution to all the operating units of revisions is centralizing in HQ and email communication evidence for any changes / notification. DOSH logbook also sighted with visit acknowledgement. Felda management distributed the applicable legal requirements and needs to the settlers during stakeholder engagement and the Scheme Manager always ensure the compliance by having frequent field visits.

Status: Full Compliance

2.2

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

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.

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 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.

Status: Full Compliance

2.3

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

No customary rights noted and this was evidenced and justified through external stakeholder interviews. Please refer to principle 6 for details. No negotiated agreements as the land belongs to state government that leased to Felda since 1973. Since no claim reported, hence verification not required for FPIC.

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 unit had data management plan (three years) that includes business case for scheme smallholders.

a. Management plan for FTP managed area

Management Plan available for each estate derived from regional management plan (Gua Musang) and National Level (Head Quarter). The available management plan is three years projection (2015-2017) which contains following parameters: Project name, program, area, cost / hek dan cos/ tan untuk masing-masing item, yield per ha (projection from HQ and regional office), FFB price (modified annually), OER projection, FFB processing cost

b. Management plan for FTP managed area:

Management plan for scheme small holder also available been incorporated in FELDA Management plan. Plan for upcoming 5 years available at FELDA's office at Kemahang 1.

FFB production projection / target was decided (formulated) by Regional Office at Gua Musang region refers to FFB production target in national level (FELDA). Costing projection refers to current year cost standard. Annual budget made every year, and long term planning can be adjusted according to actual condition of current year.

According to hectarage statement data and map, no replanting plan within next 5 years. All area has been entering second cycle in year 2014.

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.

Kemahang POM had appropriate SOP regarding best practises in plantataion as documented and available at the office:

- Operation manual (*Manual Operasi*) ref: FPI/L3/15-01 latest update 30/06/2001.
- Laboratory manual (*Manual Operasi Makmal*) ref: FPI/L3/14-01-01 latest update 25/02/2010
- Safety procedure (*Prosedur Kerja Selamat*) ref: FPI-PK-001 latest update 14/07/2010
- QOSHE procedure (Manual Prosedur QOSHE) ref: FPI/L2/QOSHE-1.0 latest update 15/11/2010

The SOP implementation was consistently checked by mean of internal and external audit such as:

- Internal audit report and QOSHE internal audit (*Laporan Audit Dalaman & Laporan Audit Dalaman QOSHE*) latest done 8/8/2014.
- External audit by SIRIM on QOSHE latest done 26/8/2014.

Monitoring and action taken were recorded in the following documents:

- File QOSHE (ref:FPI/L2/QOSHE-15.0)
- File QOSHE (ref:FPI/L2/QOSHE-12.0)
- File 4018/KMG/810/17(A)
- Log Book on MRE & Final Discharge latest update March 2015)
- Log Book on Monsoon Drain monitoring latest update 12/12/2014)

The POM also has also maintained records of Internal and External Suppliers. Record of External Suppliers was detailed as follows:

- (1) Dealer (3 numbers)
- (2) Individual (16 numbers), total external volume as per March 2015 was 258.67 mt.

Kemahang Estate 1 has the following SOP documented and available at the office (standard for all FELDA operation):

- Estate operating manual (Manual Pengurusan Rancangan) last revision on July 2010
- Manual on sustainable oil palm estate, latest edition II, 1 Jun 2012 section 1-5
- Safety and health manual, latest revision 2009
- Manual on FGVP operation (same as Manual Ladang Lestari)
- Manual on FFB Grading from MPOB
- Salary standard (*Buku Kadar Upah Pekerja*) ref: Bil. 01/2012
- Manual Perolehan (ref: SuratArahanBil 28/2014)

Checking on the implementation was appropriately done, as seen in the following documents:

- (1) *Rekod Aktiviti Ladang* (record of field activities)
- (2) *Rekod Hasil* (record of yield)
- (3) *Rekod membaja & meracun* (record of spraying and manuring)

Kemahang Estate 4 has the following SOP available at the office as standard document for all FELDA operation:

- (1) SOP MS ISO 9001:2008 ref: SOP/JHETS/PPTS/1 dated 1/8/2013
- (2) Manual on sustainable oil palm estate, latest edition II, 1 Jun 2012 section 1-5
- (3) Manual on ISO 9001:2008 dated July 2010
- (4) Manual on environment, safety and health, latest update 2009

Checking on the implementation was done through bin card: merumput last done 1/12/14 (Pkt 3,Blk71), rat bait last done 28/8/14 (Pkt 3,BBlk71), manuring last done 6/4/15 (Pkt 3,Blk 71)

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.

There was evidence that good agriculture practices as contained in Standard Operating Procedures (SOPs) had been followed to manage soil fertility. Both Kemahang 1 and Kemahang 4 sighted soil fertility through Agronomic Report where recommendation on fertilizer input was recorded.

At Kemahang 4, latest agronomy report from FASSB was dated 23/4/2014 which recommended fertilizer input compare to FFB production. Monitoring record for 2015 was available including fertilizer implementation in file namely *Rekod Kerja Intergrasi Sawit*.

At Kemahang 1, latest agronomy report was on 21/4/2014. Bin card for fertilizer was recorded as per Agronomy recommendation and was confirmed by fertilizer dispatch (Borang Keluar Baja). Interview with supervisor confirmed that all fertilizer application was done accordingly.

There was evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Latest foliar and soil sampling for Kemahang 1 and 4 was conducted on 03-04/3/2015.

A nutrient recycling practice was also in place, in the form of Empty Fruit Bunches (EFB) application to the estate. Record on EFB application available in:

- EFB delivery receipt (*Resit pengambilan Tandan Kosong*) ref Contract No: 314815 on EFB delivery voucher.
- Record of EFB applicaiton (*Rekod Penaburan Tandan Kosong*) ref :*Surat perintah kerja No: 200012443*
- Marking on EFB applicaiton lication in map (*Tandaan Penaburan EFB dalam peta*). Demarcated areal on map was for block 15, 58,68 fro Kemahang 4. At Kemahang applied to Peringkat 81 Block 14 with total amount of 262.42 mt.
- No POME application observed by auditor .

Status: Full Compliance

4.3

Practices minimize and control erosion and degradation of soils.

Erosion control and managing peat soil and fragile did not applicable to Kemahang POM. The same apply to Kemahang 1 and 4 which did have any peat soil. However, to prevent erosion Kemahang 4 has a documented record on gabion installation at Phase 83,84,85 while gravel application at Phase 82,83,84 85.

There was also regular roads maintenance programme available, as shown by record for year 2014 and 2015. Field visit at Kemahang 1 and 4 revealed that all production road were well maintained. Reconstruction was done once roads damage.

Status: Full Compliance

4.4

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

Document verification reveled that Kemahang POM had been monitoring Effluent Final discharge periodically, including ground water quality for POM staff consumption.

Kemahang 1 did not have surface water quality monitoring as they have any rivers or tributary within the estates. All surface water flow to swamp areas eventually into Sg. Golok. However, Kemahang 1 did consume ground water for their workers. Ground water monitoring was not conducted in accordance to Ministry of Health standard.

Kemahang 4 did not use any ground water as water was supply by Air Kelantan. Kemahang 4 also conducted surface water quality monitoring on 22.03.2015. Water quality sampling was done once a year at 4 surface water points with paramater analyzed: pH, BOD, COD,TS, SS, A-N, TN. Buffer zones implementation were gazetted at 4 locations: BZ1 = Alur Air Kuala Belat, BZ2 = Alur Air Naga, BZ 3= Alur Air Buaya, BZ 4 = Alur Air Binjai

Status: Minor NC on indicator 4.4.1

4.5

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

As mentioded previosuly, Kemahang 1 and 4 had a documented training for staff and workers. For integrated pest management, Kemahang 4 has the following manuals:

- (1) MSL (ed.2) Sec.4(1.0) – *Mengumpan Tikus Di Ladang Sawit Matang* (rat bait)
- (2) MSL (ed.2) Sec.4(2.0) - *Merumput di Kawasan Sawit berhasil* (weeding)
- (3) *Risalah Kawalan Tanaman keluaran FELDA* dated December 2002
- (4) Rat attack monitoring (*Banci Serangan Tikus*) dated 13.01.15

Training on IPM implementation were recorded as follows:

- (1) FELDA/FP/FTP/FPI/FASSB dated 31.03.2015
- (2) First Aid training dated 4.3.2015
- (3) RSPO Training for executives dated 19.3.2015

Records on chemicals used was clearly recorded from 2012 to 2014. Evidence of minimizing paraquat used was also shown in graph. However, FELDA is recommended to implement the following proposals:

- (1) FELDA management team should take more responsible in chemical storage and handling.
- (2) Contractors who handle pesticide should attend proper training. Record of training was not available.

	Status: Full Compliance	
4.6		
Agrochemicals are used in a way that does not endanger health or the environment.		
<p>Agrochemical issue did not applicable to Kemahang POM. Kemahang 1 has documented evidence on procedures which was standard for all FELDA operating units. They managed to show justification on chemical used, reduction of paraquat used and finally storage. Kemahang 4 has the same procedures that used all over FELDA operating units. However, lacking on the followings issues:-</p> <ol style="list-style-type: none"> (1) Record on disposal of scheduled waste and chemical containers. (2) Supervisors knowledge on chemical handling and storage. (3) Chemical handling person should attend proper training. (4) FELDA management should ensure chemical storage and handling on contractors custody. 		
	Status: Minor NC on indicator 4.6.10	
4.7		
An occupational health and safety plan is documented, effectively communicated and implemented.		
<p>Felda is committed to Health and Safety aspect as stipulated in "Polisi Keselamatan & Kesehatan Pekerjaan" that consists of relevant objectives and OSH plan. This plan is integrated with annual QSHE training calendar. Each plan been assigned with person in charge to ensure the implementation in-line with target line. The mill and estates has conducted hazard identification, risk analysis and risk control measure for all operational activities. Record shows there was no accident occurred in mill and estates since Apr 2014. HIRARC is consist of hazard identification (type of work activity, hazard & effect) Risk analysis (Existing risk control, likelihood, severity & risk) & Risk Control (Recommended control measures & PIC).</p> <p>Sighted training records for annual safety awareness for all employees that covers on emergency evacuation drill, emergency respond preparedness and first aid. In estate, the PPE for workers being provided by contractor and verified agreement between Felda and selected 2 contractors. The mill has a list of PPE and its issuance, sampled the issuance of safety shoe [being replace on 6 monthly basis], ear plug and face mask.</p> <p>During the assessment the auditor have observed the training documentation</p> <p>Training for staff and records show that training included employees for mill. Training program include for Operator pressing, loading ramp, sterilizer and especially for operator which worked at high noise level station</p> <p>The OHS committee heads by respective mill and estate managers and OHS meeting planned on 2 monthly basis. The meeting minutes effectively covers the basic elements that concerning all parties and review output was documented. As for Felda, there are records available to demonstrate that regular meetings between Felda and settlers concerning about health, safety and welfare are discussed.</p> <p>The ERP procedure seen in local language, however the content of procedure was communicated to workers through training programs. During field interview, evidence noted that 1st aid box being always carried by the Mandor and emergency calls possible through mobile phones. Local workers and staff are protected under PERKESO and foreign workers are insured - AXA Affin Insurance. As at audit date, in mill and estate there was no lost time injury. Sighted the report to DOSH on annually basis in Form 8 JKPP that includes of Lost Time Accident (LTA).</p> <p>Corrective action had been taken such as:</p> <ul style="list-style-type: none"> • Conducting training safe work practices and PPE to employees • List and provision of required PPE for each type of work . • Handing PPE to relevant workers. • Stock monitoring at PPE store <p>Auditor had observed that:</p> <ul style="list-style-type: none"> • Safe working practice training in FTP had been taken appropriately as shown by PPE training records on 20 April 2015 • Standard PPE for each activity in estate such as manuring, spraying, and harvesting was available. • Record of PPE distribution to relevant workers at the estate has been prepared 		

- Evidence of PPE monitoring at PPE store was available
- Update of stock level of PPE (PPE inventory list) in store was available as well.

Therefore, the major finding can be closed out.

**Status: Major NC on indicator 4.7.3 and has been closed out
Minor NC on indicator 4.7.5**

4.8

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

Auditor observed that all staff, workers, smallholders and contractors were appropriately trained. Documented evidences available that showing continual training have been provided from management level until workers level. At Kemahang POM, there were evidences of training for staffs related to RSPO requirement, such as:

- Seminars and training provided to staff and workers regarding safety and health and work procedures within 2014-2015
- SCCS, RSPO and ISCC training on 25/6/14 for workshop staffs
- Coaching on RSPO files preparation on 18/2/2015
- RSPO coaching on 25/2/15
- Mesyuarat AJK RSPO on 11/3/15 :
- Awareness on RSPO and SCCS on 7/3/2015

At Kemahang 1 and 4 estate, auditor observed that all workers and smallholders had been internally trained. Interview with local settlers at Kemahang 1 revealed that they had been informed and informally trained regarding best practise in plantation. For staff and internal worker, auditor observed documented evidence on staff training which involved supervisors and mandors level. Two interviewed harvester samples namely Najmudin and Ardi explained that that they had been internally trained and knew about safety at work procedures.

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.

Mill

Aspect & Impact Identification Form with reference no. of FPI/L4/QOHSE-1.7 Pindaan 0 dated 2/2/2015 was captured. EIA report for this mill was not applicable since the operation started in March 1978 before EIA study was implemented. Aspects and impacts were well identified and implemented within the mill area.

A few QOHSE Objective forms were captured such as:

- FPI/QOHSE-20.6 Pind 0 July 2013-June 2014 dated **20/8/2014**
- FPI/L4/QOHSE-3.1 Pind 0 dated **2/1/2015**
- FPI/L4/QOHSE-3.2 Pind 0 dated **2/1/2015**
- FPI/L4/QOHSE-3.4 Pind 0 dated **28/7/2014**
- FPI/L4/QOHSE-20.3(a) Pind 0 dated **February 2015**
- FPI/L4/QOHSE-1.8 Pind 0 dated **20/2/2015**

QOHSE Objective form of FPI/L4/QOHSE-3.3 Pind 0 was yet to be issued since changes to the objective and action plan have not been undertaken. Criteria 5.1.3 has the form FPI/L4/QOHSE-20.6(b) Pind 0 captured and dated **30/7/2014**

Kemahang 1

Aspect & Impact Identification NO. BORANG 5.1/5.6 dated 21/3/2015 was captured. EIA report not applicable since the operation of the plantation started in 1973 before EIA study was implemented. Aspects and impacts were well documented and implemented within the Kemahang 1 area. Hazard Identification, Risk Assessment And Measures with No. Borang : 4.7.1 dated **1/3/2015** was captured as well.

Kemahang 4

Aspect & Impact Identification NO. BORANG 5.1/5.6 dated 21/3/2015 was captured. EIA report not applicable since the operation of the plantation started in 1973 before EIA study was implemented. Aspects and impacts were well documented and implemented within the Kemahang 4 area.

Minute of meeting Felda Kemahang 4 Bil : 10/2015 conducted on 5th March 2015 was captured. During the field observation, chemical storage area is being constructed where possibility of having poisonous discharge from the washing activity will occur. However, the Manager of Felda Kemahang 4 stated that sump has been built to collect the poisonous liquid discharge from the spraying activity. Based on the Minute of Meeting, the plantation management has notified that spraying activity must be done within the specified area and workers are well equipped with PPE. Contractors must make sure that the liquid waste from the spraying activity not discharged into the river and let it soaked into the ground.

Environmental Aspect Impact Report Document Type: RSPO 2010 (Kriteria 5.1/5.3/5.6) Project : Felda Kemahang 4 Doc. No: 1/2015 dated 22/3/2015 was captured. Work activity book showing the responsible persons for respective activities mentioned in the Aspect Impact Report was captured.

Document No : ML-1A/L2-PR6(0) issued in March 2012 stating in details methods of water sampling conducted at four locations (Alur Air Kuala Belat, Alur Air Naga, Alur Air Culvert Buaya and Alur Air Binjal).

	Status: Full Compliance (Files are recommended not to leave out any related information even though some of them are redundant)	
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5.2

The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.

Mill

Laporan Pengenalpastian HCV (Hutan Bernilai Pemuliharaan Tinggi) & Pelan Pengurusan HCV & Biodiversiti) - Kompleks Kemahang 1, 2 & 3 - disediakan oleh Jabatan Sustainability, Felda Agricultural Services Sdn. Bhd. Dated **20/3/2015** was captured. Report shows that no HCV and Conservation Area involved.

Kemahang 1

Laporan Pengenalpastian HCV (Hutan Bernilai Pemuliharaan Tinggi) & Pelan Pengurusan HCV & Biodiversiti) - Kompleks Kemahang 1, 2 & 3 - disediakan oleh Jabatan Sustainability, Felda Agricultural Services Sdn. Bhd. Dated **20/3/2015** was captured. No HCV and plantation area is located next to the Kampung Baroh Pjal.

Kemahang 4

Laporan Pengenalpastian HCV (Hutan Bernilai Pemuliharaan Tinggi) & Pelan Pengurusan HCV & Biodiversiti) - Kompleks Kemahang 1, 2 & 3 - disediakan oleh Jabatan Sustainability, Felda Agricultural Services Sdn. Bhd. Dated **20/3/2015** was captured. No HCV and lots of man made drains are already in place.

	Status: Full Compliance (HCV is recommended to include the list of experts in respective field and attach some survey forms or feedback from the respondents)	
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5.3

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

Mill

Consignment Notes of Scheduled waste collection with serial number CN No - 120052-001 collecting 0.109 Metric Tonne of Waste Code 410 and CN No - 120052-R01 collecting 0.624 Metric tonne of Waste Code 305 dated 21/1/2015 collected by Kualiti Alam were captured.

Waste reduction from the oil palm was observed to be implemented where it is used back for boiler purpose in the form of biogas and some of them is sold to the outside contractor for fuel burning purpose. Scheduled waste is sold to Kualiti Alam for further treatment.

Used Chemical Container sheet to be disposed of with reference no.830/4018/KMG/15 dated 29/3/2015 was captured.

Data of used metal collection with reference no. (13)4018/KMG/830/20 dated 22/5/2014 was captured. Used metals were observed to be temporarily stored in the designated area before being transported out by the appointed contractor.

Kemahang 1

Attachment 2 3RDocument No : RSPO 2010 (Kriteria 5.1/5.3/5.6) dated 22/3/2015 was captured. 3R practice has been implemented in Kemahang 1 where collection center for the recyclables is in place to be utilized for the 3R activity.

Record of chemical and container disposal Attachment 2 3RDocument No: RSPO 2010 (Kriteria 5.1/5.3/5.6) dated 22/3/2015 was captured.

Record of waste management and disposal plan was captured in Attachment 2 3RDocument No : RSPO 2010 (Kriteria 5.1/5.3/5.6) dated 22/3/2015.

Kemahang 4

Attachment 2 3RDocument No: RSPO 2010 (Kriteria 5.1/5.3/5.6) dated 22/3/2015 was captured. 3R practice has been implemented in Kemahang 4 where collection center for the recyclables is in place to be utilized for the 3R activity.

Status: Minor NC on indicator 5.3.3

5.4

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

The biogas plant was commissioned in 2013 and as at audit date the department of environment [DOE] only granted flaring [3000 – 4000 kg/hr], ref: AS(B)D 31/152/000/004/Jld.15 and KB “Kebenaran Bertulis” for full operation will be known by June 2015. Electricity generation for mill operation produced from steam turbine / boiler where shell and fiber used as burning source [renewable energy]. The mill subscribes electricity from TNB for workers quarters [Tube Well], office, and water pump and biogas plant operation. As for mill operation it only uses at beginning of daily operation to starts the turbine engine.

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.

Mill

No open burning allowed and situation complied..

Kemahang 1

Policy of No Open Burning activity was displayed at the office signed by Datuk Faizoull dated 1/6/2014 following Section 29A, Environmental Quality Act 1974. It was confirmed by the management that the former air strip for spraying located within the Kemahang 1 plantation area is currently used for solid waste dumping area. Open burning was observed occurring during the site visit at the solid waste dumping area and this scenario is against the organizational policy and the EQA 1974 itself.

Kemahang 4

Policy of No Open Burning activity was displayed at the office signed by Datuk Faizoull dated 1/6/2014 following Section 29A, Environmental Quality Act 1974. It was confirmed by the management that the former air strip for spraying located within the Kemahang 1 plantation area is currently used for solid waste dumping area. Open burning was observed occurring during the site visit at the workers camp and this scenario is against the organizational policy and the EQA 1974 itself.

Status: Complied at mill. Major Non-Compliance to be issued for open burning of the solid waste at Kemahang 1 and Kemahang 4.

5.6

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

Mill

CEMS Process Daily Report with Plant ID : 0306D186909 dated 20/3/2015 and Sijil Analisis (Felda Palm Industries

Sdn Bhd) with the date received 12/2/2015 and date reported 18/2/2015 were captured.
 Signed form for Control measures dated 28/3/2015 was captured.
 Used metal collection form with reference no. (13)4018/KMG/830/20 dated 22/5/2014 was captured.
 Diesel Usage at Kemahang Mill latest update until February 2015 was captured.
 Biogas Reading KWH latest update until February 2015 was captured.

Kemahang 1

No evidence found on the pollution assessment conducted. Attachment 2 about 3R Document No : RSPO 2010 (Kriteria 5.1/5.3/5.6) dated 22/3/2015 was captured. 3R practice has been implemented in Kemahang 1 where collection center for the recyclables is in place to be utilized for the 3R activity. No evidence found on the monitoring system conducted due to the unavailability of the discharge and emission.

Kemahang 4

No evidence found on the pollution assessment conducted. Attachment 2 3R Document No : RSPO 2010 (Kriteria 5.1/5.3/5.6) dated 22/3/2015 was captured. 3R practice has been implemented in Kemahang 4 where the same collection center used for the Kemahang 1 is utilized for the 3R activity.

Document No : ML-1A/L2-PR6(0) issued in March 2012 stating in details methods of water sampling conducted was captured. Sampling activity is conducted at four sampling locations (Alur Air Kuala Belat, Alur Air Naga, Alur Air Culvert Buaya and Alur Air Binjal).

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.

- SIA has been made for related stakeholder for Kemahang POM, FeldaKemahangSatu and FeldaKemahangEmpat for duration 2015-2016.
- There is an evidence of meeting for stakeholder on 18 Mac 2015 for Kemahang Complex. Several issues raises in the meeting and responses had been made by the management to solve the issues and been documented. 77 people were attended, list of attendance is attached in the report.
- A complete timetable with responsible are presented in KesimpulanPenilaianImpakSosial (SIA) PositifdanNegatif, PelanPengurusandan Action Plan untukPenilaianPositifdanNegatif at Kemahang POM,FeldaKemahangSatuand FeldaKemahang 4 on 1 March 2015. 6 positive impact and 6 negative impact were highlighted in based on the summary from the questionnaires.
- There is a positive impact for the smallholder have been identified such as improve of living standards and increase of health, education facilities and cultural and religious values.
- There is a complete timetable with responsibilities are shown and the latest updated is on 5 March 2015.

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.

- Felda management had established the methods for communication and consultation on Manual Lestari 1A, 3.4 ProsedurKomunikasiPenglibatandanRundingan ML-1A/L2-PR3 (0) at Kemahang POM, FeldaKemahangSatu and FeldaKemahangEmpat. There is a transparent method for communication and consultation with public, a meeting had been done on 18/03/2015 for Kemahang Complex, The issues and response are documented in the minutes of meeting.
- There was personal which had been appointed by the management related to all of stakeholders, as a RSPO Communication Officer for Kemahang POM. (CheAzman bin CheNgah, MohdSyazwan bin MohdSabri and MohdKhairuddin bin Nawi) Officer for KermahangSatu Estate. (NurhazlikabHdzri, Nik Nor btNik Man,

HasnulbtAnuar, Zakaria bin Mahmad, Mohamad Zairul bin Jusoh, MohdAthfie bin Azib and Bahrudin bin Abu Bakar) and for Felda Kemahang Empat. (IdhamFaizal bin Yusoff)

- There is the documented for communication and consultation (ML-1A/L2-PR3 (0)) for Kemahang POM, FeldaKemahangSatu and FeldaKemahangEmpat and Felda had been involved with the effected parties such as settlers, contractors, and government agencies. A list of stakeholders in at Kemahang Complex included, the information of the internal and external stakeholders including name, phone number, position, name of companies and address were maintained.

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.

- There was a procedure for communication and consultation been established in Manual Lestari 1 A, 3.5 (ProsedurMenanganiAduandanRungutan 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 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.

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.

There is a procedure (Prosedur Mengenalpalsti Hak Perundangandan 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.

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 audit, all workers have an agreement with management and been signed by the workers regarding the labour laws, union agreements including (working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal. All workers are given the pay slips and the minimum basics salary is RM 900.00 Seksyen 4 (2) Akta 732 Perenggan 6 PerintahGaji Minimum 2012, at Kemahang POM, FeldaKemahangSatu and FeldaKemahangEmpat.
- There is a clear contract between Felda and workers regarding the labour laws, union agreements in Bahasa Malaysia for workers and made understanding to the workers. The contracts are signed by the workers and the copy are given to them.
- The management have complied workers Minimum Standards of Housing and Amenities Act 1990 (Act 446). All workers were provided with the staff house FPISB of minimum 3 rooms. And for For the foreign workers of FeldaKemahangSatuand FeldaKemahangEmpatthey were provided with the workers housing completed with water and electricity for free.
- Based on the interview on site with local and foreign workers Felda provided the facilities of housing with clean water, medical, education and the facilities are in good condition. And based on the observation (Kemahang Mini Market, and VG Shop – Azizi Hassan) there is sundry shop and verified to be adequate and affordable.

Status: Full Compliance

6.6

The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

There was policy for freedom for joining the union (*Polisi Hak Kebebasan Bersuara & Menganggotai Kesatuan 01/06/2014*). Stated that FGV gives their workers freedom to express their feelings according to the law and not prohibited individual to join the workers union. For Kemahang POM is conducting union meeting every six month (30/10/2014). The minutes of meeting is attached in the file and issues discussed such as: increase of workers allowance and increase of workers and FeldaKemahangSatu staff is joining the Union for Felda Staff (KesatuanPekerja-Pekerja FELDA) that held at the Felda headquarters. An evidence record of minutes of meetings for foreign workers union at Felda Kemahang 4 latest on 5 February 2015, discussing about the cleanliness at the workers camp.

Status: : Full Compliance

6.7

Children are not employed or exploited.

- There was a clear policy that prohibited under aged workers (below 18 years) *PolisiPekerjaKanak-KanakFelda 01/06/2014*. This policy mentioned that Felda prohibited the children workings ages below 17 years old, and if there was a children is supporting his/her parent it shall be under supervised by their parents and not disturbed their education.
- At Kemahang POM, an evidence attached in (Senarai Nama PBB) the name, workers number, designation and IC numbers. All Kemahang POM are local workers. At the At FeldaKemahangSatu, an evidence attached in (Maklumat Kaki tangan Felda Kemahang Satu) the name, IC number, date of birth and age and for foreign workers (Update RekodMaklumatTenagaKerjaAsing di LadangTahun 2015)At Felda Kemahang Empat, an evidence attached in (Senarai Nama Kaki Tangan Felda Kemahang 04 and Senarai Nama Pekerja Kontrak / SPK) the name, IC number and date of birth and for foreign workers (Senarai Nama Tenaga Kerja Asing). From the list, clearly stated that all of the list of name is fulfilled the minimum requirement age.

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.

- There was policy regarding the equal opportunity (*PolisiKesetaraanPeluang*) signed by Mohammed Emir Mavani Abdullah CEO FGV (1/6/2014) at FeldaKemahangSatu and FeldaKemahangEmpat signed by Datuk Faizoull Ahmad, General Manager Felda (1/6/2014). This policy stated that all workers and applicant will received an equal opportunities and non-discrimination based on race, nationality, religion, gender, sexual orientation, disability and political affiliations. Based on the interview there is no issues regarding the discrimination issues
- There was detail of specification on education level, skills and qualities stated in the job vacancy memo. And a guidelines for employment (*Garis Panduan Pengambilan Pekerja Am di Projek*) by Felda, detailing of specification on education level, skills and qualities stated in the job vacancy memo.

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 a policy to prevent the sexual harassment and violence (*Polisi Gangguan Seksual dan Keganasan serta Hak Kebebasan Reproduksi*) dated 01/06/2014 and signed by Mohamed Emir Mavani Abdullah 01/06/2014 at Kemahang POM, and at Felda Kemahang Satu and Felda Kemahang Empat signed by Datuk Faizoull Ahmad, General Manager Felda 01/06/2014. The policy stat that Felda ensure that the policy was implemented to maintaining the women rights reproductive and families from harassment and discrimination also concerning about the women healthy.
- There was a clear policy developed for women that stated in gender committee on (*Prosedur Menangani Aduan oleh Gender Committee ML-1A/L2-PR 10(0)*) to channelize the complaint if the issues occur.

- There was an evidence of Meeting of gender committee (Mesyuarat Perlantikan Jawatan kuasa Wanita RSP0 (Gender Committee) Peringkat Gugusan Kemahang) 01/2014 on 18 March 2015. Discussing on how to manage the sexual harassment and domestic violence in each block.
- There was a specific mechanism is established with the procedure and process flow to channel the complaint, but there was no complaint are been made.

Status: Full Compliance

6.10

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

- There was a fairly and transparently mechanism for mill to the smallholders and other local business. The current and past prices paid for FFB shown in BTS price report for Kemahang POM (Kilang Sawit Kemahang Laporan Harga BTS). Besides the documented and displayed at the board, supplier can telephone the mill regarding the current price and also can compared the price at the MPOB online website. The FFB price is based on MPOB specification and market price. Plus with interview, with Self Manage setters, the price for FFB can be monitored daily at the Mill, Newspaper and direct call to the FeldaKemahangSatu management.
- Based on the audit, there was Contractual document between Kemahang POM and Zafao Allen Entepriase (KMG 3244/2014), Contractual document between FeldaKemahangSatu with Abdullah bin Hassan (2000127889), contract for FFB transportation and Contractual document between Felda Kemahang Empat with Ariffin bin Awang (02) 3302/3100300007). The contract has been sign and detailing about the work description and pricing are properly stated in the document.
- The payment are made promptly by Kemahang POM, the evident of payment show in Money Flow Statement (Penyata Aliran wang). At the FeldaKemahangSatu, the evident of payment show in FES (Sijil Rumusan Bayaran and at Felda kemahan gsatu the evident of payment show in FTP (Checklist Bayaran Kontrak). Based on the interview the payment to supplier is confirmed that all payments have been made in a timely manner.

Status: Full Compliance

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

- The management for Kemahang POM, Felda Kemahang Satu and Felda Kemahang Empat had contributed to local communities related to the development :
- A contribution has been made from Kemahang POM for flood victims to humanity fund for flood victims on 28 January 2015 (RM 108.20). Donations to SMK Kemahang for 2015 session to Prefect Leadership Camp (RM 100.00).
- A contribution towards local communities has been made by the Felda Kemahang Satu for: Fund for student to further studies, Fund for expanding the Felda Mosque and Maintenance for public buildings as per requested.
- A contribution towards local communities has been made by the Felda Kemahang Empat for: Contribution for Mosque activities Masjid Ismail Petra (07)3302/12-1-6) RM 500.
- Based on the audit there is a talk to increase the FFB quality done by the Kemahang POM latest on 11/2/2015. Focusing on the FFB grading and also at FeldaKemahangSatu. That focusing on the FFB grading.

Status: Full Compliance / Major / Minor / Observation / Not Applicable

6.12

No forms of forced or trafficked labour are used.

A policy on Recruitment of Foreign Workers (“Polisi Pengambilan Pekerja Asing”) stated that foreign workers will have a minimum wages based on the minimum wages Act of Malaysia and no discrimination an no contract substitution. There is a clear policy regarding the no contract substitution for FGV in (“Polisi Pengambilan Pekerja Asing”) signed by FGV CEO on 0/06/2014. There was no evidence of contract substitutions and verified during the interview with workers and relevant stakeholder. Based on interviewed with foreign workers there is no force labour are used at the Felda Kemahang Empat all workers have a permit.

Status: Full Compliance

6.13

Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented

A policy for human rights has been established (“Polisi Hak Asasi Manusia) and signed by FGV Coe and Felda General Manager on 01/06/2014 are available and displayed at POM and Office. Felda are committed to support the

human rights.		
	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.		
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 came into second cycle of planting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle).		
Nevertheless, aspect & Impact Identification Form with reference no. of FPI/L4/QOHSE-1.7 Pindaan 0 dated 2/2/2015 was captured. EIA report for this mill was not applicable since the operation started in March 1978 before EIA study was implemented. Aspects and impacts were well identified and implemented within the mill area.		
	Status: Not applicable	
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.		
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 came into second cycle of planting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle).		
	Status: Not applicable	
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.		
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 came into second cycle of planting. 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		
	Status: Not applicable	
7.4		
Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
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 came into second cycle of planting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle). Therefore, no new plantings on steep terrain, and/or on marginal and fragile soils..		
	Status: Not applicable	
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.		
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 came into second cycle of planting. 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.		
	Status: Not applicable	
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.		

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 came into second cycle of planting. 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.

Status: Not applicable

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.

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 came into second cycle of planting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle).

Status: Not applicable

7.8

New plantation developments are designed to minimize net greenhouse gas emissions.

According to document verification and interview with management, there was no new plantation development in FELDA Kemahang Complex. All area of Kemahang complex were developed on 1970-s and currently they have came into second cycle of planting. As seen in the planting year data, the latest planting in Kemahang complex was 2004 (the second cycle).

Status: Not applicable

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.

There are evidences that growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations. Among monitoring mechanism are:

- Internal Audit of RSPO P & C, aimed at monitoring implementation of RSPO P&C as shown in the example of internal audit result at Kemahang 4 dated March 19th 2015.
- Internal Audit of FELDA at estate, aimed at monitoring implementation of valid SOPs, performance target, and policy. Latest audit was April 8th 2015, delivered by interna audit team of FELDA. Both Kemahang 1 and 4 gained good result.
- Internal audit QOSHE at mills (annually),
- Internal audit OSH at mills (annually),
- Internal audit for Environment fro EKAS (annually), latest audit was

There are also records of continues improvement plan made by each unit. The plan covers following continual improvement aspect:

- Reduction of Paraquat utilization
- Integrated pest management through owl nest box installment
- Increase organic fertilizer application.
- Smart weeding to decrease water usage
- River buffer zone reserve
- Waste recycle (paper, glass, and plastic)
- Improvement of harvesting rotation
- Improving FFB delivery time from estate to mill
- Decrease of unripe FFB

Status: Full compliance

3.2. Summary of Assessment Report of Supply Chain Requirement

Clause	(Module E) CPO Mills - Mass Balance Requirements
E.1	Definition
<p>E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> <p>According to Incoming FFB report of Kemahang Mills within last 12 months (April 2014 – March 2015), FFB supplier to FELDA Kemahang are:</p> <ol style="list-style-type: none"> 1. Internal FELDA (Kemahang 1, Kemahang 2, Kemahang 3, Kemahang 4) with total supply 106,857.56 tonnes. 2. Outside (Dealer and Independent Small holder) with total supply ton 69,427.54 tonnes. <p>Since there are mixing of incoming FFB from uncertified sources, the mill will be using using Mass Balance supply chain system as mentioned in the SOP.</p> <p>Kemahang POM also received form other sources which non certified plantation and FFB. The mill has prepared to implement the Mass Balance module.</p>	
Status: Full compliance	
E.2	Explanation
<p>E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p> <p>Based on calculation on initial audit, estimated tonnage of CPO and PK product that could potentially be produced by Kemahang Mills in upcoming one year is 29,320.33 ton. The actual tonnage of certified CPO can not be verifieid yet in initial stage and will be subject to verification on surveillance audit.</p> <p>The estimated productions have been provided in the report considering to the previous 12 (twelve) onths of FFB received also the CPO and Palm kernel. Estimated FFB production is 121,003 metric ton, the estimation of CPO production is 26,016 metric ton with extraction 21.5% and the estimation of Palm Kernel production is 6,171 metric ton with extraction 5.1%.</p>	
Status: Full compliance	
<p>E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p> <p>The actual implementation registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization can not be verifieid in initial stage and will be subject to verification on surveillance audit.</p>	
Status: Full compliance	
E.3	Documented procedures
<p>E.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <ol style="list-style-type: none"> a. Complete and up to date procedures covering the implementation of all the elements in these requirements; b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard. 	

<p>There is procedure of SCCS implementation in document coded: FGVPM – RSPO SCCS dated December 1 st 2012 concerning SOP Perkilangan unutm Pematuhan Sistem Persijilan RSPO SCCS. The SOP contains: QOSHE committee, organization chart of SCCS implementation, management functions & job descriptions in SCCS implementation (pengurus kilang, assistant mill managers, weighbridge clerk, penyelia operasi / juru analisa makmal/penggred BTS, formula pengiraan Mass Balance, Notis amaran / Non-conformance material, FFB delivery verification, CPO / PK delivery, Claim, Record keeping, training.</p>	
	Status: Full compliance
E.3.2	
The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	
<p>The site has procedure of SCCS implementation in document coded: FGVPM – RSPO SCCS dated December 1 st 2012 concerning SOP Perkilangan unutm Pematuhan Sistem Persijilan RSPO SCCS. The SOP including procedure of receiving and processing certified and non certified FFBs. Implementation of the procedure will become subject of surveillance 1audit.</p>	
	Status: Full compliance
E.4	Purchasing and goods in
E.4.1	
The site shall verify and document the volumes of certified and non-certified FFBs received.	
<p>The site has procedure of SCCS implementation in document coded: FGVPM – RSPO SCCS dated December 1 st 2012 concerning SOP Perkilangan unutm Pematuhan Sistem Persijilan RSPO SCCS. The SOP including verification of certified and noncertified incoming FFBs. Implementation of the procedure will become subject of surveillance 1audit .</p>	
	Status: Full compliance
E.4.2	
The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	
<p>The actual tonnage of certified CPO can not be verifieid in initial stage and will be subject to verification on surveillance audit.</p>	
	Status: Full compliance
E.5	Record keeping
E.5.1	
<p>a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.</p> <p>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.</p> <p>c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)</p>	
<p>The site has procedure of SCCS implementation in document coded: FGVPM – RSPO SCCS dated December 1 st 2012 concerning SOP Perkilangan unutm Pematuhan Sistem Persijilan RSPO SCCS. The SOP including recording and balancing all receipts of certified FFB and deliveries of CSPO in CPK . Implementation of the procedure will become subject of surveillance 1 audit and can not be measured in initial assessment.</p>	
	Status: Full compliance
E.5.2	
In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	
<p>There is no outsourced palm kernel crushing activity at this POM.</p>	
	Status: Full compliance

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	Not applicable at stage 2, Will be verified after the management unit Certified	NA
	Status:	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ST-2	Not applicable at stage 2	NA
	Status:	
3.	Implementation of Certificate and Logo is not used on product	X or√
ST-2	Not applicable at stage 2	NA
	Status:	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ST-2	Not applicable at stage 2	NA
	Status:	

3.4. Summary of RSPO Partial Certification.

Summary:		
<p>At the beginning of 2014, Felda Global Ventures Plantations (FGVP), owns and manages 72 palm oil mills in Malaysia. The time bound plan below highlights both certified units and planning for certification of uncertified units. Effective end Q3, 2014, Felda will be closing one palm oil mill operations. The time bound plan below confirms the status of 71 mills and will be reviewed again during the 1st surveillance assessment.</p> <p>As of this assessment, Felda has successfully certified 28 mills and have had another 26 mills undergo main assessments between Q2-Q4, 2014. The remaining 17 mills will be audited as per the time bound plan under 1.9 above.</p>		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	X or √
	<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>The group has a common human resource policy which is also cascaded to all operating units. There are several handbooks and guides, shared with employees. Examples: “Syarat-syarat Perkhidmatan Petugas Bergaji Bulan Syarikat Kumpulan” which went into effect on 1st January 2007, explains to employees their benefits and company rules. The “Syarat-syarat Perkhidmatan Pekerja Operasi Ladang” was established in 1st May 2010. There is also the “Perjanjian Bersama Kesatuan Perkerja-perkerja Felda Plantations” and “Surat Perjanjian Kontrak Perkerjaan Perkerja Asing”, which are used to educate and inform employees of their rights and responsibilities.</p> <p>Issues relating to employees is all operating units are monitored on a monthly basis and reported through the monthly Head of Department meetings. Monitoring is also done via e-mail and official communications with the respective departments. For example: PSQM monitors HR related matters with the help of the internal audit team and reviewed by the PSQM Head of Department.</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.	X or √
	<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” Act.</p>	√
	Status: 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.	X or √
	<p>There is a standard complaints procedure that is communicated to all facilities and locations. The procedure, “Prosedur Menangani Aduan dan Rungutan”, No. Document: ML.1A/L2-PR4(0), is made available from the head office and cascaded to all operating units.</p>	√
	Status: 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.	X or √
	<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>	√
	Status: 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.	X or√
	<p>FGVP Malaysia through its subsidiary in Indonesia, FGVP Kalimantan, has acquired land. The 2 locations are:</p> <ol style="list-style-type: none"> 1) PT Citra Niaga Perkasa (PT CNP) – 24th February 2011 2) PT Temila Agro Abadi (PT TAA) – 9th July 2013 <p>Both locations have undergone the RSPO New Planting Procedure (NPP):</p> <ol style="list-style-type: none"> 1) PT Citra Niaga Perkasa (CNP) – 14th January 2013, approximately 14,000 Ha. 2) PT Temila Agro Abadi (TAA) – 30th July 2014, approximately 8,000 Ha. <p>No negative comments received during the NPP public notification.</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.</p> <p>For newly acquired land in Malaysia or any part of the world under FELDA, the NPP procedures will apply.</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.	X or√
	<p>For new land acquisitions, the RSPO NPP procedure is followed where the company will complete the required HCV and EIA assessments.</p> <p>In October 2013, FELDA acquired a mature plantation in Kinabatangan, Sabah. The plantation, known as Pontian United Plantation Sdn Bhd, was established in 1977 year, totalling approximately 14,500Ha. Given that this is a matured plantation, the company has year marked the operations for RSPO certification 2017.</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.	X or√
	<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>	√
	Status: Compliance	

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 ST2 Assessment

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action Request	Observation	Status	Closing Date
2015.01	4.4.1	Ground water monitoring Ground water (tube well) was used as a daily water consumption for foreign workers. Evidence of ground water monitoring as specified by Ministry of health Malaysia was not available.	Kemahang 01	Minor	Next Surveillance (ASA -1)	Kemahang Estate 01 should implement ground water management plan including periodic ground water monitoring in accordance to Ministry of Health Malaysia standard.	Root cause: Less concern for analysis of water sample Corrective action: 19 May 2015 Result of water sample analysis Preventive action: Reviewed by SPO officer during internal Audit Auditor conclusion: 19 May 2015 Evidence was not available yet	Open	
2015.02	4.6.10	Waste material disposal Proper disposal of waste material, especially scheduled wastes and contaminated chemical containers, according to procedures that are fully understood by workers and managers are not demonstrated clearly	Kemahang Estate 04	Minor	Next Surveillance (ASA -1)	Kemahang Estate 04 should have record on proper disposal of waste materials especially scheduled wastes and contaminated chemical containers.	Root cause: No competency by estate officer to deliver the training regarding schedule waste management Corrective action: 19 May 2015 The attendance list and report waste management training schedule implemented for employees and estate management Preventive action: <ul style="list-style-type: none"> • Training will be doing by EKAS/OSHA/FGV officer • The review will be done during 	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action Request	Observation	Status	Closing Date
							internal audit Auditor conclusion: 19 May 2015 Evidence was not available yet		
2015.03	4.7.3	<p>Assessment on PPE availability</p> <p>There is a training program available for 2015 with 1st training taking place on 22/04/15. However there is no evidence of training records in regards to safe working practice in FTP for 2014. PPE distribution sighted in “<i>Rekod Penyerahan Alatan PPE</i>”. However there is no assessment conducted whether adequate and appropriate protective equipment available at the place of work to cover all potentially hazardous operations, such as person exposed to pesticide application.</p> <p>Record of PPE issuance against latest PPE inventory list not updated.</p> <p>The store in-charger not yet consistently update the stock level in the PPE inventory list as to ensure require PPE shall be available to all workers at the place of work when needed.</p>	FTP Kemahang 01	Major	Before certificate decision	FTP Kemahang 01 should provide evidence on adequate and appropriate protective equipment to all workers at the place of work to cover all potentially hazardous operations.	<p>Root cause:</p> <ul style="list-style-type: none"> • Lack of awareness among employees about safe work practices. • Concerns of management in the enforcement and PPE requirements <p>Corrective action: 19 May 2015</p> <ul style="list-style-type: none"> • List of attendance and report the training safe work practices and PPE to employees. • A complete list of required PPE for each type of work. • A copy of the record of handing PPE. • A copy of the stock records updated PPE in a store that time <p>28 May 2015</p> <ul style="list-style-type: none"> • List of PPE inventory in store <p>Preventive action:</p> <ul style="list-style-type: none"> • Officer of the field will make regular monitoring on the farm. • Review the internal audit officer during the SPO. <p>Auditor conclusion: 29 May 2015</p>	Closed	30 May 2015

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action Request	Observation	Status	Closing Date
							<p>Auditor observed that:</p> <ul style="list-style-type: none"> • Safe working practice training in FTP had been taken appropriately as shown by PPE training records on 20 April 2015 • List of standard PPE for each activity in estate such as: manuring, spraying, and harvesting was available. • Record of PPE distribution to relevant workers at the estate has been prepared • Evidence of PPE store was available • Update of stock level of PPE (PPE inventory list) in store was available as well. <p>Finding can be closed out</p>		
2015.04	4.7.5	<p>EHS aspect of construction site</p> <p>During visit to chemical / pesticide store which is still under construction, found the environment not properly managed. Seen the chemical and physical substances and their control appear with undue risk to safety and health. No proper signages of warning available at construction site as to avoid unintended entry.</p>	FTP Kemahang 04	Minor	Next Surveillance (ASA-1)	FTP Kemahang 04 should provide evidence of proper EHS management at the construction site	<p>Root cause: Officer responsible for monitoring the construction work was not given sufficient training regarding EHS aspects.</p> <p>Corrective action: 19 May 2015 List of attendance and report construction site management training (EHS aspects) to the officers responsible officers who monitor the construction work .</p> <p>Preventive action:</p> <ul style="list-style-type: none"> • Training will be conducted by officials EKAS / OSHA FGV . 	Open	

CAR No	Ref Std	Finding	Area	Grade	Time Limits	Corrective Action Request	Observation	Status	Closing Date
							<ul style="list-style-type: none"> Revisions will be made during the internal audit <p>Auditor conclusion: 19 May 2015 Evidence was not available yet</p>		
2015.05	5.3.3	<p>Domestic waste disposal</p> <p>Domestic waste burning was observed occurring during the site visit at the solid waste dumping site area and foreign workers quarters. This scenario is against the organizational policy and the EQA 1974 itself.</p>	Kemahang 01 and Kemahang 03	Minor	Next Surveillance (ASA-1)	A waste management and disposal plan including domestic waste should be implemented to avoid or reduce pollution.	<p>Root cause:</p> <ul style="list-style-type: none"> Lack of awareness among workers regarding the management of domestic waste . Less enforcement by management <p>Corrective action: 19 May 2015</p> <ul style="list-style-type: none"> List of presence and reports of domestic waste management training . A copy of the memo official directive banning for burning of domestic waste issued to employees . Schedule of waste transportation <p>Preventive action:</p> <ul style="list-style-type: none"> Provide training to all employees in respect of domestic waste management . Review current internal audit. <p>Auditor conclusion: 19 May 2015 Evidence was not available yet</p>	Open	

3.5.2 Opportunity for Improvement

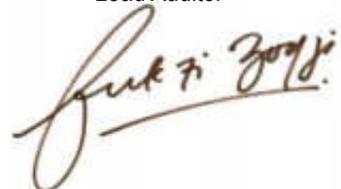
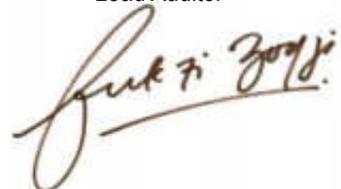
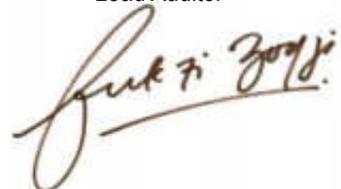
No	Ref.Std	Description
1	2.1.1	The booklets concerning to legal requirements to be acknowledged and to be defined date of recipient from HQ for revision level monitoring.
2	4.6.4	Supervisors should attend more chemical storage and handling training as during the audit they were noted to have less knowledge about chemical storage and handling.
3	4.6.5	All nominated contractors have been reviewed and approved by FELDA HQ. Operating office should keep the related certificate for record purposes.
4	4.6.6	Temporary all chemicals are being stored at contractor's premise. FELDA management should ensure the storage and handling of pesticide are according to FASSB manual.
5	4.7.2	Consideration to be given for hazard and risk factors with physical activities, such as in premix area the hazard not tackle on chemical that may have eye contacts and its preventive measure.
6	5.4.1	There is a plan available for improving efficiency of the use of fossil fuels and to optimize renewable energy, however it does not effectively describes the monitoring plan and person responsible for monitoring.

3.5.3 Noteworthy Positive Components

No	Ref.Std	Description (<i>Penjelasan</i>)
1		Implementing the quality, environmental and health/safety management system for Palm Oil Mill
2		Enthusiasm to demonstrate compliance against the RSPO principles and criteria
3		Good internal team-work and also cooperation with the settlers managed by FELDA
4	2.1	The mechanism applied for tracking legal changes and method of communication from HQ to operating sites well managed.
5	2.2	Even there isn't any conflict, disputes and legal rights but Felda management team always keen in understanding the needs of stakeholders.
6	4.7.3	Safety measures and awareness towards OHS implementation seen very effective in the mill.

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

Public Issues (Institution/ NGO/Community)	Management Responses	Auditor Responses
<p>Shafie (Head of Communities Felda Kemahang Satu)</p> <ul style="list-style-type: none"> • There were satisfaction of community on Felda management. A lot of donations had been made by the Felda to their children and communities. • There was transparent information from Felda Kemahang Management to the settlers. 	<p>Felda management will retain their relationship with settlers and maintaining a good response with them.</p>	<ul style="list-style-type: none"> • Auditor encourages FELDA to maintain its good performance in social aspect • Auditor will keep observe relationship of management unit with settlers to ensure good and mutual collaboration.
<p>Zulkifli (SK Kemahang School Teacher).</p> <ul style="list-style-type: none"> • A closed relationship between Felda kemahang management and SK Kemahang School. • There was full commitment from estate management to the school activities. 		
<p>Ariffin Zakaria- Contractor (Felda Kemahang 3)</p> <ul style="list-style-type: none"> • There is monthly meeting held by the Felda Management to discussing about the oil quality and improving the FFB production. • Felda management is committed to improve the production of FFB. 	<p>Felda management thanking them with the compliment and will retain their relationship with settlers while maintaining a good response with them.</p>	
<p>Kassim Abdillah (Self manage estate)</p> <ul style="list-style-type: none"> • He stated that already 12 years self-manage their estate. • A lot of support from Felda management to the self-manage settlers such as fertilizer, pesticide and training. • All self-manage settlers are not exclude from the Felda activities. 		
<p>Hajjah Saadah (GPW Leader)</p> <ul style="list-style-type: none"> • An information session regarding the RSPO awareness was held to the communities. • A lot of religious activities at the Felda Kemahang satu was held such as, lectures, Quran recite and gotong royong. • A lot of donation given by the Felda to the settlers. 		
<p>Muhammad Zain – Imam (Kemahang Satu Mosque)</p> <ul style="list-style-type: none"> • The mosque management is thankful to the Felda for their contribution to expand the mosque. 		

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>Signed on behalf of:</p> <table data-bbox="389 840 1380 1197"><tr><td data-bbox="389 840 779 1197"><p>Felda Global Ventures – FELDA Management Representative</p><p>Norazam Abdul Hameed Friday 5 June 2015</p></td><td data-bbox="779 840 1380 1197"><p>Mutuagung Lestari Lead Auditor</p><p>Bukti Bagja Friday 5 June 2015</p></td></tr></table>	<p>Felda Global Ventures – FELDA Management Representative</p>  <p>Norazam Abdul Hameed Friday 5 June 2015</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p>Bukti Bagja Friday 5 June 2015</p>
<p>Felda Global Ventures – FELDA Management Representative</p>  <p>Norazam Abdul Hameed Friday 5 June 2015</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p>Bukti Bagja Friday 5 June 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
1	Communities Felda Kemahang Satu	Felda Kemahang Satu Residential complex	-	Direct interview	7 th April 2015	Y	
2	SK Kemahang School Teacher	SK Kemahang School	-	Direct interview	7 th April 2015	Y	
3	Communities Felda Kemahang Tiga	Felda Kemahang Tiga Residential complex	-	Direct interview	7 th April 2015	Y	
4	GPW Leader	Felda Kemahang Satu	-	Direct interview	7 th April 2015	Y	
5	Worker's Union Gender Committee	Kemahang POM	-	Direct Interview	6 th April 2015	Y	
6	Contractor of Kemahang Estate	Felda Kemahang 03	-	Direct Interview	7 th April 2015	Y	
7	Mosque Leader	Felda Kemahang 01	-	Direct Interview	7 th April 2015	Y	
	Sustainable Development Network Malaysia (SUSDEN)	B-2114 Tingkat Satu, Jalan Merpati 25300 Kuantan, Pahang	+09 5133160	Phone Interview	6 th April 2015	N	
	Environmental Protection Society Malaysia (EPSM)	No. 60, Jalan 21/35, 46300 Petaling Jaya, Selangor, Malaysia	+011 2800 2860 epsm@ep sm.org.my	Phone Interview	6 th April 2015	N	
	Malaysian Environmental NGOs – MENG0	No. 41, Lorong Burhanuddin Helmi 11, Taman Tun Dr. Ismail, Kuala Lumpur, Malaysia.	03 7731 8361 admin@m engo.org	Phone Interview	6 th April 2015	N	
	National Council of Welfare & Social Development Malaysia - NCWSDM	No. 17, Jalan 1/48A, Bandar Baru Sentul, 51000 Kuala Lumpur, Malaysia.	+6034044 7640 makpem@ gmail.com	Phone Interview	6 th April 2015	N	
	Malaysian Nature Society (MNS) Kuala Lumpur	JKR 641, Jalan Kelantan, Bukit Persekutuan, 50480 Kuala Lumpur	+603- 22879422 mns@mns .org.my	Phone Interview	6 th April 2015	N	

Appendix 2. Assessment Program

DATE	5 th – 9 th April 2015	
ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
SUNDAY, 5th April 2015		
09.400 – 12.40 14.30 - 15.25 15.30 – 16.30	Travelling from Jakarta to Kuala Lumpur Connecting flights from Kuala Lumpur to Kota Bharu Travelling from Kota Bharu airport to Lodging / Hotel	BB BB / MM / NIZ / HAI / IBN
MONDAY, 6th April 2015		
08.00 - 09.00	Opening Meeting <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Scheme managers and Smallholders) • Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	FELDA Representative BB
09.00 – 12.00	Document review at KEMAHANG Palm Oil Mill WWTP, Mill Operational, Safety and Health, Supply Chain, Hazardous Waste Management	All auditors
13.00 – 14.00	BREAK	
14.00 – 17.00	Field Observation at KEMAHANG Palm Oil Mill <ul style="list-style-type: none"> • Mill Operational & Supply Chain • Safety and Health, Hazardous Waste Management • Effluent Pond and Waste Water Management • Interview with Worker's Union, Gender Committee 	BB MM NIZ HAI
TUESDAY, 7th April 2015		
08.00 – 13.00	Stakeholders consultation to Nearest village and community leader, labour union, gender committee, statutory bodies at Balai Raya Kemahang 01 Field Observation to FELDA/FTP Kemahang 01 <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 	HAI NIZ NIZ BB HAI MM MM
13.00 – 14.00	BREAK	
14.00 – 17.00	Document at FELDA/FTP Kemahang 01 <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) 	NIZ NIZ BB HAI

DATE	5 th – 9 th April 2015	
ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
	<ul style="list-style-type: none"> Land Fire facilities, Storage, etc. Hazardous Waste Material management 	MM
WEDNESDAY, 8th April 2015		
08.00 – 13.00	Field Observation to FELDA Kemahang 04 <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 	NIZ NIZ BB HAI MM MM
13.00 – 14.00	BREAK	
14.00 – 17.00	Document at FELDA Kemahang 04 <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 	NIZ NIZ BB HAI MM MM
THURSDAY, 9th April 2015		
08.00 – 10.00	Team meeting & briefing to client representative	All auditors
10.00 – 11.00	Closing Meeting	
11.00 – 13.00	Return to the Hotel and check-out	
13.00 – 14.00	Travelling from Hotel to Kota Bharu airport	
16.10 – 17.10	Return Flight from Kota Bharu to Kuala Lumpur	
19.05 – 20.10	Return Flight from Kuala Lumpur to Jakarta	BB