

**Roundtable on Sustainable Palm Oil Certification
RSPO**

Stage-1 Stage-2 Surveillance Re-Certification

Name of Management Organisation : Gersindo POM – PT Gersindo Minang Plantation, Subsidiary of Wilmar International Limited.

Plantation Name : PT Gersindo Minang Plantation – Gersindo Estate
PT Permata Hijau Pasaman – PHP-1 Estate, PHP-2 Estate

Location : Tanjung Pangkal Village, Sub-District of Pasaman, Pasaman Barat District, Province of Sumatera Barat, Indonesia

Certificate Code : **MUTU-RSPO/038**

Date of Certificate Issue : 21 April 2014 Date of License Issue : 21 April 2017

Date of Certificate Expiry : 20 April 2019 Date of License Expiry : 20 April 2018

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	23 – 27 January 2017	Yudwi Wisnu Rahmanto, Moh. Arif Yusni, Arif Faisal Simatupang, I Wayan Sudi Antara, Asystasya Aishah Silalahi	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	17 May 2017

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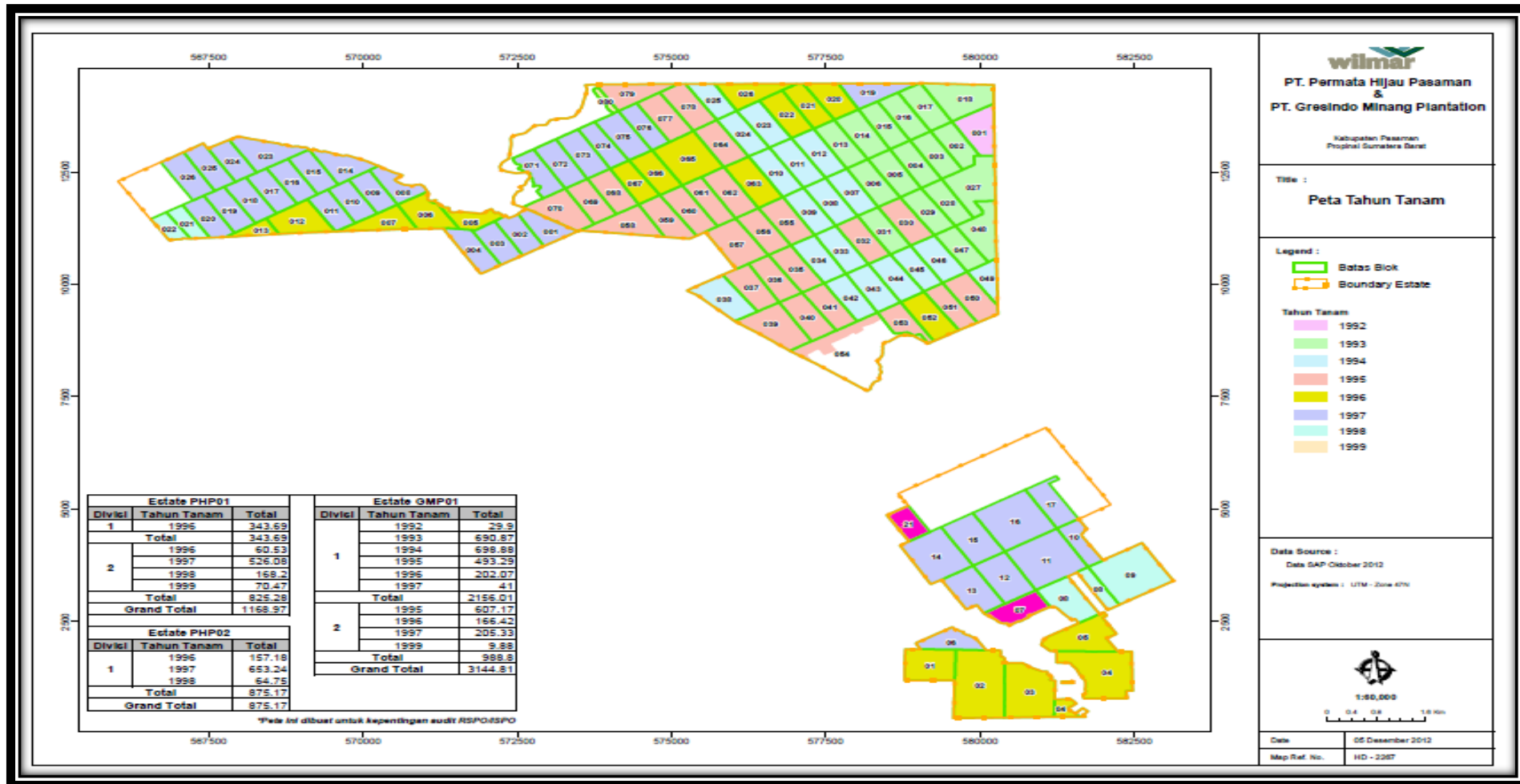
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FIGURE

Figure 1. Location Map of PT. GMP PHP



Figure 2. Operational Map of PT. GMP PHP



Glossary	
B3	: <i>Bahan Beracun dan Berbahaya (Hazardous Material)</i>
BOD	: Biological Oxygen Demand
CD	: Community Development
CPO	: Crude Palm Oil
CSR	: Coorporate Social Responsibility
EFB	: Empty Fruit Bunch
EIA	: Environmental Impact Assessment
FA	: Final Assessment
FFB	: Fresh Fruit Bunch
GMP	: Gersindo Minang Plantation
HCV	: High Conservation Value
HGU	: <i>Hak Guna Usaha (Land Use Title)</i>
IPM	: Integrated Pest Management
IUP	: <i>Izin Usaha Perkebunan (Plantation Business Permit)</i>
K3	: <i>Keselamatan dan Kesehatan Kerja (Occupational Health & Safety)</i>
LB3	: <i>Limbah Berbahaya dan Beracun (Hazardous Waste)</i>
MB	: Mass Balance
MSDS	: Material Safety Data Sheet
OHS	: Occupational Health and Safety
PHP	: Permata Hijau Pasaman
PK	: Palm Kernel
POM	: Palm Oil Mill
POME	: Palm Oil Mill Effluent
PPE	: Personal Protective Equipment
QAMS	: Quantitative Agro Management System
RKL/RPL	: <i>Rencana Kelola Lingkungan/ Rencana Pemantauan Lingkungan (Environmental Management Plan / Environmental Monitoring Plan)</i>
RSPO	: Roundtable on Sustainable Palm Oil
SDC	: System Development Control
SOP	: Standart Operational and Procedure
TBS / FFB	: <i>Tandan Buah Segar (Fresh Fruit Bunch)</i>
UKL/UPL	: <i>Upaya Kelola Lingkungan/ Upaya Pemantauan Lingkungan (Environmental Management Efforts / Environmental Monitoring Efforts)</i>

1.0 SCOPE OF THE CERTIFICATION ASSESSMENT			
1.1 Assessment Standard Used			
<ul style="list-style-type: none"> • <i>Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016)</i> • <i>RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module D / E for CPO Mill)</i> 			
1.2 Organisation Information			
1.2.1	Organisation name listed in the certificate	PT. GERSINDO MINANG PLANTATION dan PT. PERMATA HIJAU PASAMAN – Subsidiary of Wilmar International Limited	
1.2.2	Contact person	Simon Siburat	
1.2.3	Organisation address and site address	<u>Official Liaison Office:</u> Multivision Tower Lt. 15 Jl. Kuningan Mulya Blok B9, Kuningan, Jakarta 12980 – Indonesia. <u>Site Location:</u> Jorong (Village of) Tanjung Pangkal, Sub-District of Pasaman, Pasaman Barat Regency, Province of Sumatera Barat, INDONESIA	
1.2.4	Telephone	(62-21) 461 6555	
1.2.5	Fax	(62-21) 461 6687	
1.2.6	E-mail	simonsiburat@wilmar.com	
1.2.7	Web page address	www.wilmar.co.id	
1.2.8	Management Representative who completed the application for certification	Simon Siburat (Sustainability Controller Wilmar Group)	
1.2.9	Registered as RSPO member	2-0017-05-000-00, dated 15 August 2005	
1.3 Type of Assessment			
1.3.1	Scope of Assessment and Number of Management Unit	Mill: PT GMP Mill (Gersindo Minang Plantation) • Supply Bases: GMP Estate (PT Gersindo Minang Plantation) PHP-1 dan PHP-2 (PT Permata Hijau Pasaman)	
1.3.2	Type of certificate	Single	
1.4 Locations of Mill and Plantation			
1.4.1	Location of Mill		
	Name of Mill	Location	Coordinate
			Latitude Longitude
	Gersindo Minang Plantation	Jorong Tanjung Pangkal, Sub-District of Pasaman, Pasaman Barat Regency, Province of Sumatera Barat, INDONESIA	N 0° 07' 31.4" E 99° 43' 10.07"
1.4.2	Location of Certification Scope of Supply Base		
	Name of Supply Base	Location	Coordinate
			Latitude Longitude

GMP Estate (PT Gersindo Minang Plantation)	Jorong Tanjung Pangkal, Sub-District of Pasaman, Pasaman Barat Regency, Province of Sumatera Barat, Indonesia	N 0° 06' 47.8"	E 99° 43' 04.98"
PHP-I Estate (PT. Permata Hijau Pasaman-I)	Kanagarian Sasak, Sub-District of Sasak Ranah Pasisia, Pasaman Barat Regency, Province of Sumatera Barat, Indonesia	N 0° 00' 39.04"	E 99° 44' 15.57"
PHP-II Estate (PT. Permata Hijau Pasaman-II)	Jorong Maligi, Sub-District of Sasak, Pasaman Barat Regency, Province of Sumatera Barat, Indonesia	N 0° 06' 47.7"	E 99° 37' 48.09"

1.5 Description of Area Statement

1.5.1	Tenure	
	• State	5,861.40 Ha
	• Community	Ha

1.5.2 Area Statement

Description	PT GMP (Ha)	PT PHP 1 (Ha)	PT PHP 2 (Ha)	TOTAL (ha)
• Total area	3,600.00	1,247.00	1,014.40	5,861.40
• Planted Area	3,147.30	1,190.84	883.31	5,221.45
- Mature Area	2,181.17	1,190.84	883.31	4,255.32
- Immature Area	966.13	-	-	966.13
• Mill	13.00	-	-	13.00
• Emplishment, Road and Bridge	137.66	56.16	28.69	222.51
• Not Plantable Area	26.97	-	21.59	48.56
• Nursery	8.19	-	-	8.19
• Ocupied Land	212.24	-	80.81	293.05
• HCV Area	54.64	-	-	54.64

1.6 Planting Year and Cycles

1.6.1	Age profile of planting year				
	Planting Year	Hectarage (Ha)			
		PT GMP	PT PHP 1	PT PHP 2	Total
	1993	469.28	-	-	469.28
	1994	368.4	-	-	368.40
	1995	759.08	-	-	759.08
	1996	361.83	417.31	165.38	944.52
	1997	216.43	539.81	674.31	1,430.55
	1998	0	168.08	43.62	211.70
	1999	6.15	65.64	-	71.79
	2014	100	-	-	100.00
	2015	530.32	-	-	530.32

	2016	334.22	-	-	334.22		
	Land Preparation	1,59	-	-	1,59		
	TOTAL	3,147.30	1,190.84	883.31	5,221.45		
1.6.2	New Planting area after January 2010		Ha				
1.6.3	Planting Cycle		1 st Cycle or 2 nd Cycle				
1.7 Description of Mill and Supply Base							
1.7.1	Description of Mill						
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel	
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)
	GMP POM	60	259,097.97	45,120.64	17.41	12,607.44	5.03
<i>*Production data source from January – December 2016</i>							
1.7.2	Description of Certification Scope of Supply Base						
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/ye ar)	Supplied to Mill	
						FFB (tonnes/year)	%
	PT GMP	3,600.00	3,147.30	50,550.66	16.06	32,411.31	64.12
	PT PHP 1	1,247.00	1,190.84	24,857.37	20.87	20,627.02	82.98
	PT PHP 2	1,014.40	883.31	21,711.07	24.58	13,593.99	62.61
	TOTAL	5,861.40	5,221.45	97,119.10	18.60	66,632.32	68.61
<i>*Production data source from January – December 2016</i>							
1.7.3	FFB description from other source						
	Name of sources	Organisation	Location	Supplied to Mill			
				FFB (tonnes/year)			
	Gersindo Minang Plasma (994 Members, total area 1989 Ha)	PT Gersindo Minang Plantation	Pasaman Barat Regency, Province of Sumatra Barat	35,664.24			
	Plasma PHP 1 (584 Members, total area 1170 Ha)	PT Permata Hijau Plantation	Pasaman Barat Regency, Province of Sumatra Barat	11,383.23			
	Plasma PHP 2 (460 Members, total area 921 Ha)	PT Permata Hijau Plantation	Pasaman Barat Regency, Province of Sumatra Barat	9,026.68			
	Ramp AMP	Independend Outrower	Pasaman Barat Regency, Province of Sumatra Barat	104.62			
	PT Siak Prima Sakti	Independend Outrower	Pasaman Barat Regency, Province of Sumatra Barat	136,539.64			
	TOTAL			192,718.41			
<i>*Production data source from January – December 2016</i>							
1.7.4	Product categories		FFB, CPO, PK				
1.8 Estimate Tonnage of Certified Product							
1.8.1	Past Annual Claim Certified Product		Previous Certificate Claim 21 April 2016 to 20 April 2017 (tonnes/year)	Actual certified product 21 April 2016 to 23 January 2017 (tonnes/year)			

	<ul style="list-style-type: none"> • FFB Production • CPO Production • Palm Kernel (PK) Production 			37,513.95	19,649.25	6,809.05	5,325.00	1,878.13
1.8.2	Estimate of Certified FFB Claim							
	Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)	FFB (tonnes/year)	Yield (tonnes/ha/year)			
	PT GMP	3,600.00	3,147.30	46,000.00	14.62			
	PT PHP 1	1,247.00	1,190.84	28,000.00	23.51			
	PT PHP 2	1,014.40	883.31	23,500.00	26.60			
	TOTAL	5,861.40	5,221.45	97,500.00	18.67			
	<i>*Projected FFB production for 12 months of certificate</i>							
1.8.3	Estimate of Certified Palm Product Claim							
	Name of Mill	Capacity (tonnes/ hour)	FFB Processed (tonnes/year)	CPO		Palm Kernel		
				Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)	
	GMP POM	60	97,500.00	17,550.00	18.00	5,119.00	5.25	
	<i>*Projected CSPO and CSPK production for 12 months of certificate</i>							
1.9	Other Certifications							
	ISO 9001:2008	-						
	ISO 14001: 2004	-						
	OHSAS 18001:2007	-						
	ISCC	-						
	Others	-						
1.10	Time Bound Plan							
1.10.1	Time Bound Plan for Other Management Units							
	Management Unit		Estate (Supply Base)	Time Bound Plan	Location	Status		
	MILL	Time Bound Plan						
	Sapi (1 + 2)	2008	Sapi 1 & 2, Kiabau	2008	Sandakan, Sabah, Malaysia	Certified		
	Sabahmas	2008	Sabahmas	2008	Lahad Datu, Sabah, Malaysia	Certified		
	Reka Halus	2008	Reka Halus	2008	Sandakan, Sabah, Malaysia	Certified		
	Saremas 1	2008	Saremas 1, Saremas 2 (Div D), Suai	2008	Miri Serawak, Malaysia	Certified		
	Saremas 2	2008	Saremas 2 (exclude Div D), Kaminsky, Segarmas	2008	Miri Serawak, Malaysia	Certified		
	Terusan (1 + 2)	2009	Terusan 1 & 2, Rumidi	2009	Sandakan, Sabah, Malaysia	Certified		
	Ribubonus	2009	Ribubonus	2009	Sandakan, Sabah, Malaysia	Certified		

PT Perkebunan Milano	2009	Sei Daun, Batang Saponggol, Marbau	2009	North Sumatra	Certified
PT Mustika Sembuluh 1	2009	Mustika Sembuluh 1, Mustika Sembuluh 2, Kerry Sawit Indonesia 2, Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2009	Central Kalimantan	Certified
PT Mustika Sembuluh 2	2015	Mustika Sembuluh 3, Bumi Sawit Kencana 1	2015	Central Kalimantan	Certified
PT Kencana Sawit Indonesia	2010	Kencana Sawit Indonesia, Koperasi Swamata	2010	West Sumatra.	Certified
PT. Kerry Sawit Indonesia 1	2010	Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3	2010	Central Kalimantan	Certified
PT. Kerry Sawit Indonesia 2	2015	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Mustika Sembuluh 2,	2015	Central Kalimantan	Certified
PT. Tania Selatan	2010	Burnai Barat, Burnai Timur	2010	South Sumatra	Certified
Sri Kamusan	2010	Hibumas 1, Hibumas 2, Sri Kamusan, Jebawang, Sekar Imej, Sapi Sugut	2010	Sandakan, Sabah	Certified
PT. AMP Plantation	2011	AMP I, AMP II, AMP III, AMP, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri, Koperasi Tompek Tapian Kandis	2011	West Sumatra	Certified
PT. ANI (Sambas)	2012	ANI Estate	2012	West Kalimantan	Certified
PT. Buluh Cawang Plantation	2012	Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning	2012	South Sumatra	Certified
PT. Bumi Sawit Kencana	2012	Bumi Sawit Kencana 1, Bumi Sawit Kencana 2, Karunia Kencana Permaisejati 1	2012	Central Kalimantan	Certified
PT. Sarana Titian Permata	2012	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2012	Central Kalimantan	Certified
PT. Sarana Titian Permata 2	2018	Sarana Titian Permata 1, Sarana Titian Permata 2	2018	Central Kalimantan	-
PT. Gersindo Minang Plantation	2013	Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2	2013	West Sumatra	Certified
PT. Daya Labuhan Indah	2013	Wonosari, Sei Deras, Cabang Dua	2013	North Sumatra	Certified
PT. Milano (Cabang Dua Estate)	2013	(Supply base DLI-2)	2013	North Sumatra	Certified
PT. Agro Palindo Sakti	2014	PT Agro Palindo Sakti Estate	2014	South Sumatra	Certified
PT. Mentaya Sawit Mas	2014	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2,	2014	Central Kalimantan	Certified

		Bumi Sawit Kencana 2				
PT. Sinarsiak Dianpermai	2018	PT Sinarsiak Dianpermai Estate	2018	Riau	Stage 1	
BBPOP (Benso Plantation)	2015	Benso, Benso Smallholder	2015	Ghana	Certified	
PT. Murini Sam Sam	2015	Murini Sam Sam Estate	2015	Riau	Certified	
PT Bumi Pratama Khatulistiwa	2016	Bumi Pratama Khatulistiwa Estate Buluh Cawang Estate	2016	West Kalimantan	Final Audit	
PT Karunia Kencana Permaisejati	2015	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3	2015	Central Kalimantan	Final Audit	
PT Rimba Harapan Sakti	2015	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, , Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	2015	Central Kalimantan	Certified	
PT Agronusa Investama Pahauman	2018	PT ANI Pahauman estate PT Pratama Procentindo	2018	West Kalimantan	-	
PT. Agro Palindo Sakti 2	2018	PT. Agro Palindo Sakti estate, PT. Indo resin Putra Mandiri, PT. Daya Landak Plantation, PT. Putra Indotropical	2018	West Kalimantan	-	
PT. Agroindo Indah Perkasa 2	2017	PT Agroindo Indah Perkasa Estate	2017	Bangko – Jambi	-	
PT. Musi Banyuasin Indah	2018	PT MBI Sei Jarum estate PT MBI Sei Selabu estate	2018	South Sumatera	-	
1.10.2	Progress of Associated Smallholders and Outgrowers for Certifiable Standard					
	<p>KUD Rantau Pasaman & KUD Kapar as smallholders scheme engaged with PT. Permata Hijau Pasaman (PT.PHP) which supplies to Gersindo mill are planned to be in RSPO certifiable standard within three years after the mill certified. Conditions at ASA3 audit, both KUD have not been involved in the scope of GMP POM certification. This is due to the impact of complaints issues against PT. PHP. The whole process of resolution is still in mediation stages and can be tracked for the status in http://www.rspo.org/members/complaints/status-of-complaints/view/76</p>					

2.0 ASSESSMENT PROCESS	
2.1 Assessment Team	
ASA-3	<p>1. Yudwi Wisnu Rahmanto (Lead Auditor) Bachelor of Forestry with Silviculture background. He worked at professional independent Certification Body as an Auditor for last 5 years and has involved in auditing activities with various certification schemes. Selected training which have been followed, such as RSPO Endorsed Lead Auditor Training Course, ISPO Auditor/Lead Auditor Course, Quality Management System (QMS) ISO 9001:2008 Auditor/Lead Auditor Course, GIS-Basic Mapping and Spatial Analysis, Timber Legality Assurance System (SVLK), Verification Organization Training C.A.F.E Practices (Starbucks) and others internal training programs. He has involved in auditing activities, such as Sustainable Forest Management by FSC FM/COC Scheme, Sustainable Palm Oil by RSPO and ISPO Scheme, Coffee And Farmer Equity (C.A.F.E Practices) Starbucks, Organic Standard (EU, NOP, JAS) for Coffee Farmers and Organic Exchange for Textile. During the assessment he assigned to verify legal, land dispute and social aspect.</p> <p>2. Moh Arif Yusni (Auditor). Bachelor of Agriculture, majoring of Plant Pest and Diseases (Plant Protection). He has a working experience for 2 (two) years in oil palm Plantation Company in Indonesia. Trainings attended namely: Indonesian Sustainable Palm Oil (ISPO) Lead Auditor training course and Auditor / Lead auditor Management System Certification (ISO 9001-2008). Now he worked at Professional Certification Body. He has been several times following audit related to sustainable palm oil certification system as an auditor. During the assessment the Auditor verified occupational health & safety and social workers.</p> <p>3. Arif Faisal Simatupang (Auditor). Bachelor of Agriculture, from Department of Agriculture Agronomy, Faculty of Agriculture, University of Gadjah Mada. He has attended the RSPO Awareness Training, Indonesian Sustainable Palm Oil (ISPO) Auditor Training, Training of Management System Certification ISO 9001-2008, Training of Environmental Management System, Awareness of ISO 17021 and ISO 17065, and training of Management High Conservation Value (HCV). He has been 4 years of working experience as a Field Assistant on oil palm plantation companies in Indonesia. During the assessment he assigned to verify Integrated Pest Management, Best Management Practices, Good Manufacture Practices, management and Economic aspect.</p> <p>4. Asystasya Aishah Silalahi (Trainee Auditor) Bachelor from Agribusiness Department, Bogor Agricultural University. She has attended trainings, such as RSPO Awareness Training, Indonesian Sustainable Palm Oil (ISPO) Auditor Training, Training of Management System Certification ISO 9001:2015, Awareness of ISO 17021 and ISO 17065, Occupational Health & Safety Management. She has been involved in social impact assessment (SIA), high conservation value (HCV) & green house gas (GHG) calculation. During the assessment the auditor verified transparency and social worker.</p> <p>5. I Wayan Sudi Antara (Auditor) Bachelor of Agricultural Engineering, Institut Pertanian Bogor. Experienced in preparation of EIA since 1990 (having a certificate of competency Chairman of the Drafting Team EIA), involved as auditor performance assessment of Sustainable Forest Management both schemes Indonesian Ecolabel Institute / LEI since 1997 and the scheme of the Ministry of Forestry since 2002 (a certified Auditor of LEI) , worked in a forestry consultant, experienced in assessment ISPO and ISPOdi some company as auditor as auditor (have passed the training ISPO). During this assessment the auditor verified environmental assessment, soil and water conservation.</p>
2.2 Assessment Methodology, Assessment Process and Locations of Assessment	
2.2.1	Figure of person days to implement assessment
ASA-3	<p>Number of auditors : 5 auditor Number of days for ASA-3 at site : 5 days Number of working days for ASA-3 at site : 25 Working days</p>
2.2.2	Assessment Process
ASA-3	The assessment was conducted by measuring the sufficiency of implementation with the consistency done by PT GERSINDO MINANG PLANTATION dan PT PERMATA HIJAU PASAMAN terhadap persyaratan National Interpretation of the Republic of Indonesia from RSPO Principles and Criteria for Sustainable Palm Oil Production <i>RSPO Principles</i>

and Criteria (P&C) for for the Production of Sustainable Palm Oil - April 25th, 2013. 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).

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

Some opportunities for improvement of the results **ASA-3** delivered by the MUTU auditor to the management unit and the results are the subject will be verified at the next assessment phase (**ASA-4**).

Improvement of findings from main assesment findings were observed by auditors at this **ASA-3** assessment. All information obtained was recorded in Check List of PT Mutuagung Lestari (MUTU) and part of **ASA-3**

The assessment programs please find Appendix 2.

Based on the results of assessments carried out since 22-28 January 2017 team of auditors PT. Mutuagung Lestari RECOMMEND of PT. Gersindo Minang Plantation and PT Permata Hijau Pasaman to Maintain RSPO certificate.

2.2.3	Location of Assessment
ASA-3	<p>PT. GMP – Estate</p> <ol style="list-style-type: none"> 1. Nursery. Observation and interview with worker related to worker welfare aspect. 2. Circle and Path Spraying. Block 30. Observation on circle and path spraying, OHS, and welfare aspect 3. Housing phase 2. Observation and interview with worker related to housing facilities, such as electricity, water source, child care, school, etc. 4. Harvesting. Block 14. Observation on harvesting, OHS, and welfare aspect. 5. Agrochemical storage. Observation and interview with storage operator related to chemical mixing technique, work safety in agrochemical storage. 6. Workshop. Interview with worker related to OHS, worker welfare, and emergency response. 7. Clinic. Observation and interview related how to handle medical waste, and clinic facilities. 8. TPS LB3. Temporary storage of hazardous waste. Observation about condition of temporary storage, monitoring hazardous waste, and emergency facilities. 9. POME Land Application. Block 48. Observation and interview to the operator on POME Land Application, OHS implementation and understanding of working procedure. 10. EFB Mulching Application. Block 56. Scheduled Waste. Observation on management of sandy area by EFB Mulching Application. 11. Immature Area on Peat Soil. Block 03. Observation replanting best management practices on peat soil, among other drainage system and cover crops. 12. Management on Peat Soil. Block 14. Observation on drainage system, bund off, water level stake, peat subsidence pole, and land cover <p>PT. GMP – POM</p> <ol style="list-style-type: none"> 1. Agrochemical storage. Observation related to storage condition, symbols, MSDS, and emergency facilities. 2. TPS LB3. Temporary storage of hazardous waste. Observation about condition of temporary storage, monitoring hazardous waste, and emergency facilities 3. Workshop. Interview with worker related to OHS, worker welfare, and emergency response <p>PT. PHP Unit 1</p> <ol style="list-style-type: none"> 1. Harvesting. Block 14. Observation on harvesting, OHS, and welfare aspect 2. Circle and Path Spraying. Block 16. Observation on circle and path spraying, OHS, and welfare aspect. 3. Management on Peat Soil. Block 10 and 11. Observation on drainage system, bund off, water level stake, peat subsidence pole (No. 1 and 4), and land cover. 4. Housing. Observation and interview with worker related to housing facilities, such as electricity, water source, child care, school, etc.

<p>PT. PHP Unit 2</p> <ol style="list-style-type: none"> FFB Transport. Block 17. Observation on FFB transport, OHS, and welfare aspect Circle and Path Spraying. Block 17 and 18. Observation on circle and path spraying, OHS, and welfare aspect. Harvesting. Block 25. Observation on harvesting, OHS, and welfare aspect. Management on Peat Soil. Block 24, 25 and 26. Observation on drainage system, bund off, water level stake, peat subsidence pole, and land cover. Housing. Observation and interview with worker related to housing facilities, such as electricity, water source, child care, school, etc. 	
<p>2.3 Stakeholder Consultation and Stakeholders Contacted</p>	
<p>2.3.1</p>	<p>Summary of stakeholder consultation process.</p>
<p>ASA-3</p>	<p>The public consultation with stakeholders to PT. Gersindo Minang Plantation and PT. Permata Hijau Pasaman done through:</p> <ol style="list-style-type: none"> Conduct a public announcement on the CB website (www.mutucertification.com) on January 6, 2017. Conducting visits and direct interviews with stakeholders (Regional Environmental Agency; Regional of Labor Agency; and Regional Plantation Agency, Pasaman Barat Regency, Province of Sumatra Barat) on January 23, 2017. Conduct consultations via email questionnaire to NGOs (AMAN, Sawit Watch, TUK Indonesia, Jaringan Kerja Pemetaan Partisipatif, Rainforest, Responsi Bank Indonesia, Forest People Programme, Konsorsium Pembaruan Agraria) on 20th January 2017 Conducting visits and direct interviews with stakeholders (Jorong Sikilang, Maligi on 24th January 2017, Jorong Tanjung Pangkal on 23rd January 2017, Kenagarian Kapa dan Sasak on 25th January 2017) Conducting Interviews with the Cooperative Employees PT. GMP, local contractor, Gender Committee, Labor Union PT. GMP PHP on 23rd January 2017 <p>Some verbal feedback from stakeholders both positively and negatively received by the audit team to be clarified as a material consideration in the assessment of ASA - 3.</p>
<p>2.3.2</p>	<p>Stakeholder contacted</p> <p><i>Please find appendix 1</i></p>
<p>2.4 Determining Next Assessment</p>	
	<p>The next (ASA-4) will be determined one year after this ASA-3</p>

3.0 ASSESSMENT FINDINGS

3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Gersindo POM – PT. Gersindo Minang Plantation – Permata Hijau Pasaman - Wilmar International Limited operation consisting of one (1) mill and three (3) oil palm estates.

During the assessment, there were nine (9) Nonconformities were assigned against Major Compliance Indicator(s); five (5) nonconformity(s) were assigned against Minor Compliance Indicators; and four (4) nonconformance(s) against supply chain requirement for CPO mill and seven (7) opportunity(s) for improvement were identified.

Further explanation of the non-conformities raised and corrective actions taken by the company are provided in section 3.5. The company has already prepared and implemented the corrective actions that had been reviewed and accepted by Auditors

MUTUAGUNG LESTARI found that Gersindo POM – PT. Gersindo Minang Plantation – Permata Hijau Pasaman - Wilmar International Limited complied with the requirements of Indonesian National Interpretation of RSPO Principles and Criteria 2013 by INA-NITF, July 2016 (Endorsed by the RSPO Board of Governors meeting on 30th September 2016) and RSPO Supply Chain Certification Standard For organizations seeking or holding certification Adopted by the RSPO Board of Governors on 21 November 2014 (Module E for CPO Mill).

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

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>1.1.1 Certificate holder has had a list of stakeholders comprising local government, village heads around the company, community leaders, NGO, universities, suppliers, contractors, banks. The lists are updated periodically and are available at each estate and mill. The last update of stakeholder list are conducted in December 2016</p> <p>Certificate holder has had procedures “<i>Pelayanan Informasi untuk stakeholder</i>” (No PRO-BNM-006 dated 21 Januari 2016 revision 01). The objective of this procedure is to ensure estate and mill provide information in correct and sufficient language for stakeholders, related to environment, social, and legal issues that related to RSPOs criteria. Encuring the management document is available for public, except for confidential documents or information, which will have a bad implication if published.</p> <p>1.1.2 Documentation of stakeholder requests for information stored in the logbook that includes proposal and donation requests. Nevertheless, until the date of the audit, there is no request from stakeholders for company’s documents (legal, environmental and social)</p>	
Status: Comply	
1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	

1.2.1	Certificate holder has had a list of documents that can be accessed by the public. It is set in SOP “ <i>Pelayanan Informasi untuk stakeholder</i> ” (No PRO-BNM-006 dated 21 Januari 2016 revision 01). which explains the accessible document for public, such as: environmental impact assessment documents, company annual reports, land Permit, OHS Program, Operational procedure, etc. The informations that can be acces has been socialiated to stakeholder by a letter on January 2016 to Government agency, community leader, cooperative and NGO.	
	Status: Comply	
1.3	Growers and millers commit to ethical conduct in all business operations and transactions.	
1.3.1	Certificate holder has committed about ethical policies contained in code of conduct policy (No. 044/DIR-KP/XII/2015) effective since 15 December 2015. Code of conduct set the standards of behavior based on moral principles that exist and are used as a guideline in conducting business activities that includes a mechanism for the relationship between stakeholders. However, based on interviews with stakeholders and document review, it is known that the policies have not been socialized to all affected parties. Its be NCR 2017.12 With Minor Category.	
1.3.1	Status: NCR 2017.12 With Minor Category.	
PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS		
2.1	There is compliance with all applicable local, national and ratified international laws and regulations.	
2.1.1	Certificate holder has the evidence of compliance with relevant legal requirements, divided into the aspect compliance of Environmental Licensing/Permit (AMDAL), OHS and employment, Plantation Permit and User Right Certificate.	
2.1.2	Company already has a mechanism to evaluate compliance with the rules and regulations related to the management of oil palm plantation through SOP of Identification and Evaluation of the Legal Aspects and Applicable Rules and Regulation (PRO-BNM-005). The SOP describes that the updating and evaluation to the compliance with regulation is conducted every 6 (six) months by EHS Unit Staff (for OHS and Environment), Personal General Affair (Employment Affair), Bina Mitra (Social and Plantation Affair). Based on this mechanism, the company identifies the type of legislation that must be met and classify in a group of Plantations Aspect (Legality), environment, OHS and the employment aspect.	
2.1.3; 2.1.4	All regulations are noted in the list of rules which are always evaluated regularly at least once every six months or if there are regulatory / latest requirements referenced. Based on interviews with relevant institutions (Plantation Agency, Labor Agency, Environment Body and National Land Agency) noted that the management unit has met the regulations related to the estate, employment and the environment	
	Status: Comply	
2.2	The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.	
2.2.1	The Certificate Holder has documents showing legal ownership as Land Use Right (HGU), among others: HGU Certificate No. 1 Year 1997 with area covers 3,600 Ha (GMP Estate); HGU Certificate No. 54 and 55 Year 2014 for 1,247 Ha (PHP-1 Estate); HGU Certifiacte No. 18 Year 2005 for area 1,014.40 Ha. The history of land tenure ownership and the actual legal use of the land are available.	
2.2.2	Based on field observation by auditor team, checking the sampled boundary poles using GPS tool GARMIN 62s at PHP-2 Estate: BTS 07, BTS 12, BTS 02 (Utara), BTS (Selatan), BPN01, BTS25, BTS23, all the legal boundaries are well demarcated. However,	

the auditor found non compliances that:

1. There is two same code numbering of boundary poles (BTS 02) in different location, Block 006 and Block 024-025.
2. The Certificate Holder indicates of overlanted from legal use right (outside the HGU certificate) and have not legal document. This area located in West part of boundary pole No. BTS 23 with approximate size is ± 20.8 Ha. Meanwhile, the FFB from its area also calculated as certified sources when delivered to GMP POM, whereas it is non-certified area status (out of certification scope).

Based on this field observation findings, the certificate holder has fail to prove:

- The determination method of numbering the boundary poles which founded two same number in one legal rights.
- Ceasing the non-certified area from any operational activities.
- Specific plan for FFB sources mechanism from its area that calculated as RSPO non-certified product.

NC raised for this case under NC No. 2017.01

2.2.3;

PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the poles coordinates table, the number of identified boundary markers and estate operational block.

Based on map and area statement information, it is known that the identified cultivated area are 80.81 hectares. Based on field observation, it is known that there is no management activities that carried out by the company in that area and based on information from management and community representatives Sikilang, the area within the management of Plasma Sikilang (smallholder scheme).

However, the certificate holder has fail to show that handover management to the smallholder scheme are conducted through participatory and FPIC ways. NCR No. 2017.02

2.2.4; 2.2.5

Land conflict has been detected and raised for the certificate holder in 2014, particularly in PHP-1 Estate. The status of its complaint has been explained within Criteria 6.3. Anyhow, this case has already addressed to RSPO Complaint Panel and during ASA-3, the process are still running and not been decided by the RSPO. The status of complaint can be found at <http://www.rspo.org/members/complaints/status-of-complaints/view/76>

2.2.6

Also, based on direct interview with sampled workers and communities, it was known that the certificate holder has no evidence to instigate violence in maintaining peace and order in their current operations.

Generally, the certificate holder not complied with the right to use the land.

Minor	Status: NOT COMPLY, NCR 2017.01 and 2017.02
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2.3 Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.

2.3.1

The certificate holder has map with appropriate scale showing the area statement within their legal permits. This map developed through participatory ways involving affected parties. The map namely “Peta Land Use Overlay Tahun Tanam PT. GMP, Skala 1:40,000 (dated 19 January 2016)” shown that an area of 212.24 ha separated in two location was encroached by local communities within the company use right. Auditor has verified to that area and it was confirmed that its area was occupied.

In other unit (PHP-2 Estate) also has had a map of “Peta Overlay Blok dan Batas HGU PT. Permata Hijau Pasaman-2” scale 1: 40,000 that indicate of 80.81 Ha was encroached by the local communities. Based on interview with representative of Sikilang villagers, that area is under managed of Sikilang Smallholder scheme.

According to this, the Certificate Holder particularly GMP Estate and PHP-2 Estate has fail to show:

1. Process of mapping to identify of all occupied land with an appropriate scale.
2. Evidence of participatory mapping process by involving the affected parties.

NCR 2017.03

2.3.2; 2.3.3; 2.3.4

Regarding the progress of compensation against the certificate holder land prior to obtained the legal user right, a statement letter from customary people representative has been recorded, i.e:

GMP Estate (PT. GMP):

- Agreement letter for releasing of Customary Right “Hak Tanah Ulayat Nagari Lingkuang Aur” dated 5 November 1991.

PHP-1 Estate (PT. PHP):

- Record of Agreement letter for releasing of Customary Right “Hak Tanah Ulayat Nagari Sasak and Nagari Kapar” dated 6 February 1997.

PHP-2 Estate (PT. PHP):

- Record of Agreement letter for releasing of Customary Right “Hak Tanah Ulayat Nagari Sungai Aur” dated 16 July 1992.

Copies of negotiated agreements including the process of FPIC are proven and available in place. All the information explained in the agreements is in appropriate language (Bahasa Indonesia) and accepted by the affected parties. Process of land compensation has been appropriate with its procedure “SOP Pembebasan Lahan (SOP-IJIN LAHAN&OPS-006), dated 15 October 2008”.

According to this, NC raised to the certificate holder with number NCR. 2017.03

MAJOR 2.3.1	Status: NOT COMPLY, NC.2017.03
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PRINCIPLE #3 Commitment to long-term economic and financial viability

3.1

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

3.1.1

Certificate holder has drafted the long-term plan for period 2016 to 2021. The document consists of information about financials, area statement, crop, FFB processed, cost of production, (estate cost and mill cost), plantation development cost, capital expenditure, buildings, workers housing requirement, staff requirement, sustainability implementation costs and replanting plan.

Sustainability Implementation Costs covers the environment budget cost (such as for the implementation of environment impact assessment, peat management, conservation and protected area’s management, maintenance and rehabilitation of riparian area, the compliance preparation over RSPO requirement for plasma plantation, implementation of social impact assessment, improvement of education program, scholarship, traditional activity cost and religion activity cost, conflict resolution, CD and CSR), health and safety (first aid, occupational health and safety symbols, occupational health and safety training, occupational health and safety evaluation, certification and surveillance for occupational health and safety’s audit and so forth), other related compliance expenses (cost for RSPO/ISPO certification).

3.1.2

PT GMP has had replanting program for the next 5 years, while the PT PHP has no replanting program until 2021 due the production is still optimal. The replanting program can be traced through company’s long-term plan for period 2016 to 2021. Meanwhile the replanting plan activity will be evaluated every year by considering the condition and target of the previous program. Replanting program has been implemented and can be seen from below table:

Year	Plan (Ha)	Implementation (Ha)
2014	431.76	100.00
2015	431.76	530.32
2016	336.91	334.22
2017	361.90	-
2018	300.91	-
2019	237.15	-
2020	296.00	-
2021	196.99	-

Status: COMPLY

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

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

4.1.1

PT GMP and PT PHP has document of Agronomic Guideline and SOP for Oil Palm Plantation 2015 that was approved by Group Head of Plantation. This guideline is started from land clearing, plantation maintenance, harvesting, fertilization up to monitoring over harvesting quality through audit mechanism of quantitative agro-management system (QAMS). Moreover, GMP POM has presented processing procedures from sortation, loading ramp, sterilizer, thresher, digester, press, vibrating screen, vacuum dryer, oil transfer pump, depericarper, nut silo, ripple mill, clay bath, kernel silo, boiler, generator, turbin, water treatment plant, preventive maintenance, emergency, laboratorium, POME ponds, land application, to material store in warehouse. This SOP is effective since 1st May 2011. The entire documents related to operation procedure has been well documented and available in each management unit in english and bahasa language.

Based on a field visit of harvesting in GMP Estate, PHP 1 Estate, PHP 2 Estate and FFB processing in GMP POM, the activities have complied with the related procedures. The harvester can explain well on correct harvesting procedures that particularly relevant to the criteria for fruit ripeness. Harvesters and workers in mill also explained about payment mechanism and obligation to use personal protective equipment (PPE) according to the HIRAC.

4.1.2

Certificate holder has some mechanism of monitoring of procedures implementation, among others operational internal audit, Quantitative Agro-Management System (QAMS), Audit System Development Control (SDC), agronomy internal audit (EMU Audit Report), RSPO internal audit, or field visit of General Manager.

4.1.3

The records of QAMS, SDC, and EMU audit report has been documented. The entire aforementioned audit activities have been implemented to check the compliance between implementation and the applicable procedure. Certificate holder present the notes of audit improvement in a form of action plan.

4.1.4

Certificate holder has had procedure related to purchases of FFB (No 001/TBS-SOP/VIII/2015 dated 10 August 2015) approved by Country Head of Wilmar. The procedure states that all suppliers should be made an insurance to company that all of FFB sourced from their own land and not from forest land. To ensuring of third party FFB supplier are appropriate with the procedure, the certificate holder also check and verify through field survey and make a record of source location, address of supplier, size of area, year of planting and GPS coordinate from its location.

GMP POM presents the monthly report for received-FFB, which also indicated the recording of incoming FFB from other party. Daily record of FFB receives are available in Weighbridge Slip. All of its record has been appropriate with procedure of FFB Receive (No. Document: SOP-MILL-001), dated 28 May 2012.

PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block. Based on field observation, it is known that there are managed area which is located outside the boundaries of the concession and have not a valid legality. The location is in the West of BTS 23 (Block 22) of ± 20.8 ha. Meanwhile, FFB production from that area is categorized into RSPO FFB certified that sent to GMP POM. But the company has not been able to show the proof of land management of ± 20.8 Ha (non-HGU) as FFB

third-party supplier to GMP POM. Its Be NCR No 2017.04 With Major Category	
Status: NCR No 2017.04 With Major Category	
4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.	
<p>4.2.1 In order to manage and improve soil fertility, certificate holder has document of Agronomic Guideline and SOP for Oil Palm Plantation 2015 which has include cultivation and maintenance of land cover crop, fertilization, POME land application, and empty fruit bunch mulching application. During the assessment, there is no inorganic fertilizer application due to the fertilizer not yet distributed to the warehouse. Field observation in GMP Estate Block 56, certificate holder has implemented EFB mulching application dose 40 tonnes/ha/year in sandy area. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited.</p> <p>4.2.2 Records over the utilization of organic and inorganic fertilizer have been detailed recorded in Manager's Monthly Report (WGP-Monthly Estate Report). Inorganic fertilizer used by certificate holder in 2016 are NPK, Kieserite, Dolomite, ZA, MOP and RP. Based on document verifications, it's known that manuring activities of first and second semester of 2016 are monitored and well documented in accordance with recommendation.</p> <p>4.2.3 Certificate holder has routinely monitoring the changes of the nutrient status based on the periodically soil and leaf analysis. Leaf sampling picking is conducted annually, meanwhile soil sampling analysis is conducted every 15 years related to the procedure. Soil analysis of PT GMP and PT PHP are conducted in 2015 by EMU Laboratory of Wilmar International Plantation with an objective to find out the availability of soil nutrient, which is used as cultivation media for oil palm crop. The report attaches laboratory analysis result over soil sampling in each sampling locations with the measured parametes among others texture, acidity (pH), the C, N, P, K, Mg, Ca, Na, BS, CEC, Al and H composition. Leaf analysis of 2016 is conducted by EMU Laboratory of Wilmar International Plantation. The observed parameters among others major element N, P, K, Mg and Ca as well as minor element such as: B, Cu, Zn and Fe.</p> <p>4.2.4 Certificate holder is using EFB mulching and POME land application as nutrient cycling. Based on field observation at GMP Estate Block 56, EFB mulching application with dose of 40 ton/ha arranged in a square shape between trees. Meanwhile there is no sewage leak of POME land application at GMP Estate Block 48. Both EFB and POME application have been applied in accordance with the procedure.</p> <p>Overall, the certificate holder has made efforts to maintain and improve soil fertility. Visually, there is no symptom of nutrient deficiency at the blocks that have been visited. Based on 2016 production data, showing reasonable productivity, namely GMP Estate yield 23.18 tonnes/ha/year with average age of 22.2 years old oil palm, PHP 1 Estate yield 20.87 tonnes/ha/year with average age of 20.1 years old oil palm, and PHP 2 Estate yield 24.01 tonnes/ha/year with average age of 20.12 years old oil palm.</p>	
Status: COMPLY	
4.3 Practices minimize and control erosion and degradation of soils.	
<p>4.3.1 Certificate holder has the marginal soil distribution map, such as: mineral soil, peat soil, and topografi in sufficient scale and legend. The marginal soil map is prepared by Param Agricultural Soil Survey Sdn. Bhd. PT GMP company has <i>Soil Map</i> with a scale of 1:30,000 that is available within its operation area, such as mineral soil (56.4 %) and peat soil (44.4 %). The map explains the depth of peat level, such as: peat with a depth of less then 1 meter over the area of 274.2 ha or 6.6% and peat with a depth of 150cm-300cm with the broad of area around 1,497.2 ha or 37.2 %. Based on soil map, company categorises peat area with a depth of 150 cm - 300c m as marginal soil, with total area 1,497.2 ha or 37.2 %. apart from the aforementioned data, PT. PHP has soil map with a scale of 1:30,000 that is available within its operation area, such as mineral soil (28.6 %) and peat soil (72.4 %). The map also explains the class of soil, such as: Bayas (910.49 ha) or 73.2 %, Sabrang soil with a broad of (21.59 ha)</p>	

or 1.7 %, Ular soil with a broad of (311.54 ha) or 25 %, the unnamed soil (0.72 ha) or 0.1 %, hence the grand total is 1,244.34 ha, or 100%.

4.3.2

Based on semi detail map for PT. GMP and PT. PHP work area is flat (0 – 4 %), subsequently, there is no management for sloping area. This findings is also strenghten with field verification result in GMP Estate, PHP 1 Estate, and PHP 2 Estate area during the assessment.

4.3.3

Road maintenance program contained in document of Work Program of 2017. Currently road maintenance is by road grader. From documents known that the road maintenance of 2016 has been conducting well, however there are some reasonable road damages in some points.

4.3.4

GMP Estate and PHP 1 Estate have implemented best management practices related to minimised peat soil subsidence. Among others established drainage system, bund off, installing water level stakes and peat subsidence poles, and implemented the selective spraying. The implementation is accordance with procedure of management and monitoring in peat soils (No. ET-008 Rev. 3 dated 16 December 2013).

GMP Estate has 30 bund off with water flow system to maintain the surface water level, and 7 peat subsidence poles installed since 2012 to monitor the subsidence. Meanwhile PHP 1 Estate has 21 bund off and 8 peat subsidence poles installed since 2012. The bund off installed together with the water level stake, that monitored weekly, meanwhile subsidence pole monitored semesterly. Field observation in GMP Estate Block 14, and PHP 1 Estate Block 10, known that the water level between 55 to 60 cm. Meanwhile based on subsidence monitoring records, it's known that average subsidence in GMP Estate since 2012 was 4,5 cm/year, while in PHP 1 Estate was 3 cm/year. Based on field observation also known that the certificate holder has implemented selective spraying, to maintain ground cover in order to decrease epeporation.

Based on field observations at GMP Estate Block 03 immature areas on the peat soil, it is known that the area has been hit by floods and many legume cover crops were broken. Certificate holder are encouraged to improve the legume cover crops to improve the ground cover **#OFI**.

Based on review on map of soil types and field observations, it is known that there are 189.81 ha (18.71 %) peat area in PHP 2 Estate. However, the certificate holder has not been able to provide evidence has been monitor the water levels and peat soil subsidence, in accordance of RSPO on Best Management Practices Manual for Existing Oil Palm Cultivation on Peat. Its be **NCR No 2017.05 With Major Category**

4.3.5

PT GMP and PT PHP have lowland and peat soil area with a scale of 1:40,000 that explains the flooding risk. Certificate holder has an efforts to build drainage before replanting, in order to reduce the increase of water debit due to replanting activity. Moreover, there is a drainage map with a sclae of 1:30,000 that belong to PT.GMP for replanting area. The length of collection road is 178,920 meter, the lenght of main drain is 41,059 meter, collection drain 183,408 meter, field drain 2,882 meter, and main drain 33,585 meter. Field observation in GMP Estate Block 03, certificate holder implemented 2 : 1 drainage system to maintain the water level.

4.3.6

Based on field observation is known that certificate holder has several strategies to manage sandy areas with low organic material. Field observation in GMP Estate Block 56, certificate holder implemented several strategy such as EFB mulching application with a dose of 40 ton/ha/year, furhermore selective weeding and soft weed management such as *Neprolephis bisserata* to maintain soil mousturiser an minimising the evaporation.

4.3.4	Status: NC No. 2017. 05 With Major Category
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4.4 Practices maintain the quality and availability of surface and ground water.

To maintain the quality and availability of surface water, the company already has a water management plan is outlined in the

environment Impact Assesment and have been implemented include:

- Identification of the source water include: Batang Pasaman river, wells, rain water and Refill water
- Monitoring of water consumption/use of water for estate activities in 2016

NO	WATER SOURCES	GMP	PHP-1	PHP-2
1	Batang Pasaman River	84.666	-	-
2	Wells	19.130	11.507	8.753
3	Rain	7.122	6.482	4.903
4	Refill/bottled	740	3.555	3.307
	TOTAL OF USE		21.544	16.963
	OUTPUT TBS		24.857	20.457
	M3/TON TBS		0,87	0,83

- GMP-POM already have permission to use water from the local government (SK Gubernur Sumatera Barat No: 611-393-2016, at 11 April 2016) by volume 35,501 m³/month. Based on data from the year 2016 water use for oil palm cultivation on average 35,930 m³/month, Related to this, the company has not been able to show:
 1. Evaluation of the use of water exceeds the license granted
 2. Planning of efficient water use appropriate permissions granted

Its be NCR No 2017.06 With Minor Category

- Monitoring of surface water quality

The Company has a water quality test results each semester of Health Laboratory Diskes Prov Sumbar covers Batang Pasaman river, Batang Alin and Batang Kapar river in upstream and downstream. The Company has evaluated the water quality and recommend to boil water before consumption

- Testing of effluent water quality regularly (monthly) at the last outlet before being discharged to LA. Based on the test results in 2016, effluent quality is still below the threshold. To monitor the environmental impacts of water quality testing in monitoring wells, in the waters of the river and the analysis of soil.
- Protection of water resources

The company has had reports Identification of High Conservation Value (HCV), in December 2012 in cooperation with Aksenta that identify the presence of protected areas. PT GMP identified an area of 54.63 ha in the form of secondary swamp forest (Blocks 62, 65, 75 and 76) as an area for wildlife refugum unique ecosystem, flood control, sediment control (HCV area of 1.4; 3; 4.1; 4.2). While in PT PHP identified an area of 1.92 hectares (Blocks 5 & 23) at year of planting 1997 PHP-2 in the form of border Batang Alin river.

PT. GMP had Map Results Identification of HCV area of 54.63 ha in the form of secondary swamp forest. Based on field observations in Block 053-054 known to have a border area of Sungai Batang Pasaman ingrained oil (replanting, 2015) and is not designated as a protected area, his is because the river is located outside the concession company.

However, PT. GMP has not been able to show the map Identification Watershed and Wetlands (in accordance with Presidential Decree No. 32 of 1990) on Protected Areas, where border of Batang Pasaman river a category of Protected Areas. Its be **NCR No 2017.07 With Major Category**

Based on a field trip, there is a estate of PT. GMP (Blocks 053-054) which is replanted areas in 2015, the company has left the area (do not re-planting) and let the old oil palm trees along 50m of riverbank. There is mounting embankment to avoid the river bank erosion due to runoff water flow of the river. Restoration of riparian done with bamboo planting (planting end of 2015). But the area they will not be designated as a protected area controlled. While the PT PHP, Alin Batang river border that are diarel concession in the form of palm plants. Batang Alin riparian bank up to the limit of the concession, mainly the secondary swamp forest vegetation is still good, there are mounting board ban on the activity in the border spray water sources, planting grass to avoid avalanches vetver.

4.4.1	Status: NCR No 2017.07 With Minor Category	
4.4.2	Status : NCR No 2017.07 With Major Category	
4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.		
<p>4.5.1 Integrated pest management program is based on Agronomy Guideline of 2015 chapter 8 regarding to integrated pest and disease management. Certificate holder undertakes the management actions based on the pest detection and census. Moreover, there is palm oil pest and disease detection and census procedure (SA 02/EMU/(01)/0710 on 01st July 2010 with an objective to ensure pest and disease program can be periodically and sustainably implemented. Detection is conducted in every 3 month, if there is a high potential of infestation, carried out a census every month.</p> <p>Based on the recapitulation of rat dan leaf eater caterpillars census on second semester 2016, it is known that there is no rat and leaf eater caterpillars infestation over the economic threshold. Field observations on harvesting activities in GMP Estate, PHP 1 and PHP 2 Estate indicate that there is no symptom of leaf eater caterpillars infestation in the canopy, nor rat infestation on FFB's harvested.</p> <p>Certificate holder has a good commitment to improve the use of pest natural predator as part of integrated pest control. One of natural predator development is the reproduction and the construction of barn owl box to control rat infestation. The barn owl box monitored at least once a month. The monitoring parameter are the existing of barn owl in the boxes, left food, sign of reproduction such as egg or owl. Field observation at GMP Estate Block 027 is known that barn owl box was in good condition and occupied. Beneficial plant such as <i>Turnera subulata</i> dan <i>Antigonon leptosus</i> in main road and collection road were well maintained.</p> <p>4.5.2 Integrated pest maangement training of GMP Estate, PHP 1 and PHP 2 Estate were conducted in Oktober 2016 by research department. The training material related to detection and cencus, biological control, mechanical control, chemical control, as well as beneficial plant.</p>		
Status: COMPLY		
4.6 Pesticides are used in ways that do not endanger health or the environment		
<p>4.6.1 Certificate holder using the licensed pesticide in pesticide commission in Ministry of Agriculture. Based on document's review and observation in agrochemical warehouse, the utilized pesticides are Glisat 480SL (<i>Isopropilamina glyphosate</i>) to control broad leaf weed and narrow leaf weed, moreover Tiara 20 WG (<i>Metil metsulfuron</i>) to control broad leaf weed, and Abolisi 856 SL (<i>2,4 Dymethyl amina</i>). Abolisi 856 SL's license was expired since June 2016, however the certificate holder use the remaining stocks.</p> <p>4.6.2 Certificate holder has documented pesticide utilization that recorded product name, active ingredients, LD50, percentage of active ingredients, total application, total active ingredients, hectare application and active ingredients per hectare application. This document is constantly recorded and updated by Estate Sustainability Officer each month. For instance in GMP Estate, utilization of <i>Glyphosate</i> month of December 2016 amount 0.54 gr/ha, whereas in PHP 2 Estate utilization of <i>Metil metsulfuron</i> month of December 2016 amount 10.9 gr/ha</p> <p>4.6.3 Certificate holder has implemented integrated pest management in order to reduce pesticide usage. Several IPM program with biological approach that has been implemented such as rat control by <i>Tyto alba</i> and leaf eater caterpillar control by planting beneficial plants. Certificate holder implemented selective spraying and utilize <i>Neprolepis bisserata</i> as the host of predator of leaf eater caterpillar. Based on document review, field observation, and interview with the workers, it's known that there is no usage of pesticide to control pest and disease.</p> <p>4.6.4 Field observation in agrochemical warehouse and document's review revealed that company has a commitment not to use</p>		

paraquat since 2011.

4.6.5

Handling, usage or application of pesticides have been done by worker who have received training in handling pesticides, OHS in handling pesticides, and first aid training. The anual training 2016 of GMP Estate, PHP 1 and PHP Estate have been conducted. Field obsevation of spraying activity in GMP Estate, PHP 1 and PHP 2 Estate, it is known that there are workers understood the spraying methode in accordance with procedures, the importance of using PPE when working, also conveyed an understanding of the RSPO. Pesticides have been applied according to the label on the MSDS. The worker use PPE's in accordance with MSDS.

4.6.6

Certificate holder has procedure of pesticides storage and ex pesticides container which explains that pesticides must be kept in a special storage and its ex-container must be put in hazardous waste temporary house. Based on field observation to agrochemical storage, it is known that pesticides is kept in special storage and the mixing place is provide with water trap. Ex-pesticides container is kept in hazardous waste temporary house. Based on field observation to housing complex, there is no ex-pesticides container which used for another purposes.

4.6.7

The results of field observation in warehouse and spraying activities in GMP Estate, PHP 1 and PHP Estate, it is known that the workers have been given regular training in safe work practices. The employee can demonstrate the correct way to work in accordance with the procedures including how use and handling the risks in accordance with material safety sheets. There have been sheets of safety work (MSDS) and the symbols of hazardous and toxic materials are properly installed on the walls and doors of warehouse. The worker also using personal protective equipment in accordance with specified hazard identification and material safety data sheet such as mask, gloves, safety shoes, apron and googles.

4.6.8

Based on field observation, documents review and interviews with management staff, it is known that certificate holder did not applied any pesticide aerially.

4.6.9

Certificate holder has conducted training annually related to handling technic/OHS of pesticides, and first aid training for the workers. The annual training of 2016 has been documented into minutes of meeting, list of attendees, and activity photos. Based on interview with the spraying worker, they understand the technic in conducting spraying

4.6.10

The company had a pesticide container storage tape in place Temporary Storage B3 which have permission, and sent it to the B3 waste manager authorized (PT. Shali Riau Lestari)

4.6.11

Company has conducted a periodic medical check up for pesticide operator and annually, such as cholinesterase examination. The result of the examination is all worker are in normal condition (healthy). The result of examination is kept in the clinic and it will be told to the worker if it showed the danger of chemical exposure. It also has list of pesticide operator for each unit, 32 operators for GMP, 18 operators for PHP 1 and 7 operators for PHP 2. Based on interview with the sprayer at PHP 1 dan 2, it is known that they are medically examined and all worker in healthy condition.

4.6.12

Company has a policy number 007/Mem-GEM/Int/1/2-17 dated January, 9th 2017 about Prohibition of spraying and fertilizing for pregnant women and lactating. If there are female sprayer who are pregnant, company issued recommendation letter about temporary mutation because pregnant and lactating. It explains that the worker is transferred to the job that do not contain pesticide/chemical.

Based on interview with female sprayer, they always examined to determine the pregnancy every 2 months.

Status: COMPLY

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

4.7.1

Company has occupational health and safety policy which was approved by Country Head on 22nd May 2015 that explains company's commitment on the implementation of occupational health and safety within company's operation. This policy is available in Indonesian language. Based on field visit and interview with worker in mill and estate, it is known that they have understood about the occupational health and safety and potential hazards from their work. They also briefed about this policy every week and through signs for OHS awareness.

The implementation of this policy is work program of OHS organization, including minutes of guiding committee of occupational health and safety's meeting, fire extinguisher evaluation, fire simulation and first aid. The evidence of implementation of this work program is include in OHS periodic reporting.

4.7.2

Company is conducting risk identification for its entire operation activity, which is recorded in document of aspect identification and environment impact evaluation as well as risk analysis and occupational health and safety analysis. It explains risk identification for each type of work and hazard & potential impact as well as to set the control mechanism. Risk identification is conducted by the possibilities and work accident from operational activities and the prevention is based on PPE matrix and work procedure. Based on OHS report, there is no work accidents in GMP POM, 8 work accident in GMP estate, and 4 work accidents in PHP Estate.

Based on field visit in GMP POM and PHP 2, the workers were found not wear PPE according to the risk identification, such as:

- FFB loader in PHP 2 were not wearing helmet.
- Workers in kernel station were not wearing ear plug and mask
- Welder in kernel station GMP POM were not wearing apron.

Its be NCR No 2017.08 With Major Category

4.7.3

Based on interview with workers in mill and estate, it is known that the company has given safe work practices training and risk identification. They also know about the occupational risk for each activity and how to prevent it. Company also provided PPE for all worker, such as sprayer were using apron, eye shield, mask, glove, and safety shoes (AP Boot) as PPE. Based on interview with worker in GMP POM, GPM Estate, PHP 1 and 2 estate, it is known that the company would substitute or replace the damage or broken PPE. Worker bring along the broken PPE and replace it with the new one. There is evidence of PPE handover or list of PPE distribution and monitoring that explain the condition of PPE which is conducted monthly.

4.7.4

Company has the structure of OHS organisation (guiding committee of occupational safety & health board) which responsible on implementing the occupational health and safety program. They have OHS work program and the implementation of the program will be evaluated monthly. The committee also hold a monthly meeting with the worker and the member of committee to discuss about training and socialization of OHS, the importance of PPE, health and environment and so on. Based on interview with Manpower and Transmigration Agency in Pasaman Barat Regency, it is known that company has submitted the guiding committee for occupational health and safety report that covers the entire occupational health and safety activity within company's operation activity every 3 months.

4.7.5

Company has procedure for emergency response that aims to minimize the risk of workplace accident. The procedure is available di Indonesia language. If there is a work accident, management of each unit make the investigation of work accident. It which describes the detail of victims, time, type, chronology as well as the corection actions plan. Then, company records the work accident on the work accident recapitulation report. Based on field visit in mill, estate, and worker housing, company has pointed the evacuation path and meeting point as evacuation process in emergency situation. As for the operational activities in the field, supervisors was carrying first aid kits during his work in the field, and mill was also equipped with first aid kits. Based on interview with workers in GMP POM, they know the procedure for emergency response and meeting point for emergency situation.

4.7.6

Company has registers the workers in manpower social insurance and health insurance. As for daily worker (BHL), the medical

treatment/health insurance is covered by the company. Company has shown the evidence of manpower social insurance monthly payment receipt for Desember 2016. There were also evidence of insurance claim that shown to the auditor which happened in November 2016.

Based on interview with worker, they have been registered to the manpower social insurance and their family as well.

4.7.7

Work accident is documented on the work accident recapitulation report and provided the lost time accident matrix in it. The matrix describe the number of work accident, working days lost, working time lost, and the number of lost cost. The matrix is attached on the guiding committee of occupational health and safety report.

4.7.2	Status: NCR No 2017.08 With Major Category
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4.8 All staff, workers, smallholders and contractors are appropriately trained.

4.8.1

Company has training need analysis for its workers. It describes about identification of the problem, proposed activities and the training purposes. Then, they also have training program in 2016 and documentation of implementation of the training program, for instance training for harvesting technic on 18th November 2016, attended by 36 participants. There is the notulen, list of attendees, and photo activities. The program also include health and environment risk from chemical exposure.

4.8.2

Company has the worker training record for each unit and kept in personal files. Based on interview with worker in mill and estate, it is known that workers have been trained accordance with the work. For instance, sprayer is given the spraying technic for the prevention from chemical exposure.

	Status: Comply
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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.

PT GMP has 3 environmental documents include:

- Document Management and Environmental Monitoring (DPPL) Year 2008
- Addendum to the Environmental Impact Statement, Management Plan and Environmental Monitoring Plan 2014. The scope of the additional activities: Activity Plantation (6,000 Ha), Palm Oil Processing Plant (60 Tons TBS / hour), the construction of Methane Capture. Load impact management:
 1. Air quality
 2. Surface water quality
 3. The diversity of flora and fauna
 4. Biota waters
 5. Revenue community
 6. Attitudes and perceptions
 7. Work accident
 8. Public health and aesthetics
 9. Fire land
 10. Increasing the economic
 11. The quality of wastewater
 12. Job Opportunities

- Study replanting: Document Identification and Evaluation of Environmental Impact Aspects and Hazard Analysis and Risk K3 PT. GMP (No. Doc: FRM-EHS-007). Aspects of replanting activities is already incorporated into the Environmental Impact Identification. Review date: December 7, 2015

PT PHP has environmental document in the form of:

- Environmental Management Effort (UPL) and Environmental Monitoring Effort (UPL) Oil Palm Plantation PT. Permata Hijau Pasaman, includes environmental management and monitoring plan, consisting of:
 1. Socio-economic culture: attitudes and perceptions towards plantation
 2. Water quality: pH, TSS, BOD5, COD, Cu, Pb, Ammonia, Oil top layer
 3. The quality of drinking water in the employee base camp PHP PHP I and II: the physical properties and chemical drinking water
 4. Health: Blood sample of employees spray pesticides and pesticide warehouse employees
 5. Pesticides: parameter Cu (Cuper)
 6. Workshop: parameter Pb (lead) and the upper layer of oil

The Company has an environmental permit application of the results in the form of statements RKL & RPL semester (Semester I and II 2016) reported to the relevant agencies. The company has the environmental monitoring plan contained in the document environment. The Company has conducted environmental monitoring in the document RKL-RPL and UKL-UPL each semester. The implementation of the document contained an evaluation of the results of the monitoring. (Compliance, the critical point and the inclination).

Status: COMPLY

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

The company has had reports Identification of High Conservation Value (HCV), in December 2012 in cooperation with Aksenta that identify the presence of protected areas. PT GMP identified an area of 54.63 ha in the form of secondary swamp forest (Blocks 62, 65, 75 and 76) as an area for wildlife refugium unique ecosystem, flood control, sediment control (HCV area of 1.4; 3; 4.1; 4.2). While in PT PHP identified an area of 1.92 hectares (Blocks 5 & 23) at year of planting 1997 PHP-2 in the form of border Batang Alin river.

PT. GMP has a report on the identification described in the document RKL-RPL each semester. Animal identified, include: Forest Cat, Beaver, Monkey, bird kingfisher, kingfisher Gold, crested serpent eagle. Flora species identified include, among others: outstretched, ramin, banyan simpoh etc. Protected species in the area of PT. GMP among others include: Sumatran tiger, gibbon, agile gibbon, Honey Bear, Deer.

Prior to clearing, diareal PHP has a variety of plant species including wood outstretched, merbau, Ketaping, bintangur and banio (there is evidence of a former wooden stump in the field). As for the wildlife there Sumatran tiger, Sipan, Siamang, agile gibbon, Honey Bear, Deer, Moose, anteaters and several types of birds. During the study identified HCV turtles, labi-labi and lizards as well as several types of sepert cobra snake, a boa. For bird species identified 6 protected species such as honey Sikep asia, crested serpent eagle, gold and cekakak pekakak thickets.

PT PHP has a monitoring document HCV each month (December 31, 2013), which contains the identification of wildlife such as monkeys, agile gibbon, hawks, weasels roots. Additionally PHP have reported the identification of flora and fauna in the area of PHP for 2016: crested serpent eagle, kingfisher gold, blue-eared kingfisher, hornbill white belly, loose-loose, biwak, cobra, aged, bobcat, cingkuak, deer, pangolin , While vegetation identified Mahang, guinea fowl, kalam pian, rattan.

The Company has a Management Plan HCV containing protected species protection activities include:

- Socialization to workers and the public
- Installation plank ban on hunting and felling trees and sanctions for violations
- Inventory each month

Status: COMPLY

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

The company has had a place in the B3 Waste Temporary Storage Plant, GMP Estates and PT. PHP has obtained a license from the local government. In its management (delivery) B3, the company has cooperated with PT Riau Lestari Shali. Specifically for medical waste company in cooperation with PT. AMP Plantation.

The company had record shipments of B3 Waste, as Quarterly reports containing the balance sheet management LB3 LB3, BA handover LB3 and manifest includes:

NO	TYPES OF WASTE	AMOUNT	DATE	MANIFEST
1	Used oil	1 drum/80 L	22/03/2016	AAO 0006411
2	Used batteries	1 pcs/25 Kg	22/03/2016	AAO 0006410
3	Used Filter	2 Kg	22/03/2016	AAO 0006428
4	Contaminated packaging	35 Kg	22/03/2016	AAO 0006429
5	Contaminated Dust Cloth	23 Kg	22/03/2016	AAO 0006412
6	Former Light Bulbs	42 Kg	22/03/2016	AAO 0006413

Status: COMPLY

5.4

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

The company has the use of bm 2016 budget amounted to 282 668 liters / year for the transport of TBS (Jonde tractor and truck), operational vehicles, school buses, ambulances and generators car pool. Actual use amounted to 144 920 liters.

Companies have data monitoring fuel usage

NO	UNIT	BUDGET (L)	ACTUAL		TBS (TON)	L SOLAR/TON TBS
			L	%		
1	GMP-POM					
2	GMP-Estate		329.088		50.551	50,561
3	PHP-1	282.668	144.920	51	24.857	5,83
4	PHP-2	114.000	67.660	59	20.457	3,31

The Company has reviewed the use of renewable energy (fibred and shells) which is used as fuel for the boiler of POM. Based on the factory visit, the company has implemented the use of Fiber and Shells as boiler fuel and used to turn turbines to generate electricity. Based on interviews with the engine room operator, explained that the generator is used only when the plant is not processing.

Plans to increase the efficiency of fossil fuel use for GMP POM by optimizing the use of renewable energy from waste palm oil processing. In addition, GMP POM also has a Methane Capture installation as a form of responsibility reduction of GHG emissions. Calculation of energy efficiency PKS has been using methane capture the Nov, 2016 has generated 44.48 KWH and Des, 2016 has generated 76.13 KWH.

Status: COMPLY

5.5

Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.

The Company does not undertake combustion method to open land or replanting. This is evidenced by the commitment of the companies listed in the SOP Land Clearing Without Burn with numbers: pro-est-002 effective date of October 15, 2012. Land clearing activities conducted by imas uprooted as well as by virtue of the Employment Agreement (SPK) Contractors Heavy equipment for replanting with No: 007 / SPK / GMP / II / 2015. Date February 13, 2015, explained that the scope of work open land without burning, digging palm weevil, leveling the hole with soil.

In interviews with the agencies in West Pasaman (BLH and Plantation Office) associated obtained information that the company does not perform combustion for replanting activities, it is proved among others during the visit of Field in Block 35; 37; 39 and 40 in Phase 2 PT GMP known that the company was not burning at the time of preparing land for replanting.

Status: COMPLY

5.6

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

5.6.1

The certificate holder has had document assessing pollution and emission sources, including gaseous, particles, soot emissions and effluent, as presented in table below:

Activities	Waste Type		GHG Emissions
	Non Hazardous	Hazardous	
Pesticide application		Spill of agrochemical	CO ₂ , CH ₄
Fertilizing		Fertilizer sacks Inner plastic of fertilizer sacks	CO ₂ , N ₂ O
Harvesting and frond pruning	Loose fruit sack used Palm frond		CO ₂ , CH ₄
EFB application and decanter cake			CH ₄
Trunk injection (eradicating of oil palm trees) for replanting		Lubricant spillage Agrochemical spillage Agrochemical containers	CO ₂
Receiving and Storage of Agrochemical		Used sacks Agrochemical spillage Fertilizer spillage	CO ₂ , N ₂ O
Operational and Maintenance of Power Generator		Oil Filter used Fuel Filter used Dirty fuel Lubricant used	CO ₂
Transportation of agrochemical and fertilizer	Fertilizer spillage	Agrochemical spillage	CO ₂ , CH ₄ , N ₂ O
Fuel transportation		Used Fuel Used Fuel containers	CO ₂
Vehicle maintenance	Tyres used Sparepart used	Lubricant used Battery used Rags used Oil Filter used Lubricant container	CO ₂
Collecting and transportation of domestic waste	Degradable waste, plastic waste and metal waste		HCFC, CO ₂
Hazardous waste management			CO ₂
Construction of Infrastructure	Wood, metal, glasses, plastic wastes.		CO ₂
Office Administration	Plastic, paper and glasses waste.	Printer and lamp tube used	HCFC
Herbicide mixing		Herbicide containers Herbicide spillage	CO ₂ , CH ₄
Boiler chimney	Smoke emission		SO ₂ , CO, NO ₂ , H ₂ C
CPO and PK Transportation	Air pollution		SO _x , CO ₂
POME management	GHG emission		CH ₄

5.6.2

Plan to reduce or minimize the significant pollutants and GHG emissions were implemented by the certificate holder through Methane Capture installation at GMP POM. The Biogas Plant has operating started from October 2016 and during ASA-3 audit, collecting data for Methane Capture installation are still monitored by the consultant. Also, periodically test for air pollution, POME management, agrochemical use in properly dosages, maintain the HCV area as crop sequestration are still managed by the CH.

5.6.3

GHG Calculation of GMP POM for year 2016 has been calculated using RSPO PalmGHG Calculator version 3.0 and reported to the RSPO through an email dated 18 January 2017. The summary of GHG calculation is presented below:

1	RSPO PalmGHG	Ver. 3.0
2	Report	Apply November 2005 cut off for LUC
3	Site	PT Gersindo Minang Plantation POM
4	Certificate Registration no	MUTU-RSPO/038
5	Certificate validity	21 April 2014 – 20 April 2019
6	CB	MUTU Certification
7	Audit date	23 - 27 Jan 2017
8	Data set	Jan – Dec 2016 for audit year 2017

Summary of Net GHG Emissions GMP POM

Emissions per Product	tCO ₂ e/tProduct
CPO	9.49
PK	9.49

Extraction	%
OER	17.99
KER	5.03

Production	t/yr
FFB processed	250,852.99
CPO produced	45,120.64

Land Use	Ha
OP planted area	5221.45
OP planted on peat	2241.45
Conservation (forested)	-
Conservation (non-forested)	54.64
Total	7517.54

Summary of Field Emissions and Sinks

	Own Crop			Group			3 rd Party			TOTAL		
	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB	tCO ₂ e	tCO ₂ e/ha	tCO ₂ e/t FFB
<i>Emissions</i>												
Land Conversion	32765.27	9.88	0.53	0	0	0	0	0	0	0	0	0
*CO₂ Emissions from Fertiliser	2595.66	0.78	0.04	0	0	0	0	0	0	0	0	0
**N₂O Emissions	14402.48	4.18	0.22	0	0	0	0	0	0	0	0	0
Fuel Consumption	1076.17	0.32	0.02	0	0	0	0	0	0	0	0	0
Peat Oxidation	77635.18	23.44	1.26	0	0	0	0	0	0	0	0	0
<i>Sinks</i>												
Crop Sequestration	-	-9.36	-0.5	0	0	0	0	0	0	0	0	0
Sequestration in Conservation Area	31057.12			0	0	0	0	0	0	0	0	0
Total	97417.64	29.24	1.57	0	0	0	433420.24	0	0	0	0	0

Summary of Mill Emissions and Credits

	tCO2	tCO2e/tFFB
Emissions		
POME	33880.78	0.14
Fuel Consumption	316.74	
Grid Electricity Utilisation		
Credits		
Export of Grid Electricity		
Sales of PKS	-17025.03	-0.07
Sales of EFB		
Total	17172.49	0.07

Palm Oil Mill Effluent (POME) Treatment

Divert to compost	0 %
Divert to anaerobic digestion	100 %
- POME to anaerobic pond	94 %
- POME to methane capture (flaring)	3 %
- POME to methane capture (electricity generation)	3 %

POME Diverted to Anaerobic Digestion:

Divert to anaerobic pond	94 %
Divert to methane capture (flaring)	3 %
Divert to methane capture (electricity generation)	3 %

Status: Comply

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

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

6.1.1; 6.1.2

Social impact assessment (SIA) of the certificate holder has been conducted by consultant in 2012. This assessment conducted in 6-16 February 2012 with participation of affected parties, such as: workers, business partner and local communities, including customary people. Methodology used during this assessment is through Primary and Secondary Data collecting. For Primary Data collecting, the assessment using Focus Group Discussion, workshop and participatory mapping by interview with participants. The representative of affected parties that involved during the SIA assessment dated 22 February 2013 are: Government Representative, Head of "Wali Nagari", Smallholder Cooperative, Customary Representative "Ninik Mamak", Local Communities and Company Management Representative. The FGD was attended by 40 participants.

6.1.3

Plans for management and monitoring of social impacts to avoid or reduce negative impacts and promote positive ones, the certificate holder made the plan based on social impact assessment, through consultation with the affected parties. It's documented in "Rencana Pengelolaan Sosial PT. GMP and PT. PHP period 2016-2018". Monitoring and evaluation of the implementation program also made, for example "Evaluasi Pelaksanaan CSR Tahun 2016". According to the stakeholder consultation result at Wali Nagari Sasak Ranah Pasisie and Wali Nagari Kapa, the evaluation of social program were communicated. The local villagers is able to make their comments or input in the questionnaire template and will be collected by Bina Mitra and Community Development officer.

The certificate holder has complied with the social impact program and following the participatory ways for its implementation.

Status: Comply

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.

6.2.1	<p>PT. GMP & PT. PHP has SOP Communication, Consultation and Coordination with Stakeholders No.PRO-BNM-008, dated October 1, 2011 to be used as guidelines for communications. Based on Auditor consultation with relevant stakeholders during the assessment ASA-3, obtained information that some of these stakeholders do not know the mechanism of communication and consultation applied by the company. On this case, the company has not shown the evaluation evidence of effectiveness of communication and consultation mechanisms on local communities and the affected or interest parties. Its be NCR No 2017.09 With Major Category</p> <p>6.2.2; 6.2.3 The Company has appointed the officers who are responsible for consulting and communicating with the public. The company has of Stakeholder List and their detail address (Update Desember 2016) These document was categorize each of stakeholder, comprise of the government agencies in province and regency, sub district and village government level, communities representative, customary representative, non government organization, bank, hospital, university and local contractors.</p>
6.2.1	<p>Status: NCR No 2017.09 With Major Category</p>
<p>6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is Implemented and accepted by all affected parties.</p>	
6.3.1	<p>PT. GMP - PT. PHP has a complaints mechanism set in Complaints and Dispute Resolution Procedure No. Documents: PRO-BNM-007 Revision 01, dated December 1, 2015. However, in the procedure is found that if there is no regulation if the resolution can't be reached, then the complaint can be brought before the RSPO Grievance System (RSPO Complaints System). Its be NCR No 2017.10 With Major Category</p> <p>6.3.2 Based on documents verifications, stakeholder consultations and verify through RSPO website there is a complaint from Datuk Gampo Alam (Pucuk Adat Nagari Kapa (indigenous leader of Nagari Kapa) as well as Head of Kerapatan Adat Nagari Kapa (KAN – a village/nagari-level customary institution in Minangkabau which maintains and preserves the Minangkabau customs and culture), the complaints about:</p> <ul style="list-style-type: none"> - Complainant seeks clarity of the extent of PT. PHP 1's nucleus estate in Nagari Kapa. - Complainant rejects PT. PHP 1's application to the National Land Agency for a Hak Guna Usaha (HGU) certificate over the customary (ulayat) land of Nagari Kapa. <p>Based on documents verifications its known there is several meeting between Datuk Gampo Alam, Wilmar and RSPO about this complaints. The last meeting held on 8 December 2016. This complaints already addressed on RSPO Complaints Panel (2.).</p>
6.3.1	<p>Status: NCR No 2017.10 With Major Category</p>
<p>6.4 Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>	
6.4.1; 6.4.2	<p>The certificate holder has had a procedure for identifying legal, customary or user rights, and for identifying people entitled to compensation in "SOP Pembebasan Lahan (SOP-IJIN LAHAN&OPS-006), dated 15 October 2008", which referring to decision of the Constitution Court (if any). This procedure also describing for calculating and distributing fair compensation.</p> <p>6.4.3 Since the certificate holder has obtained land use right (HGU), there is no more land compensation was made. Because, prior to certificate holder propose the land use right to the government, all the plantation area owned by customary people known as "Hak Ulayat". The process of negotiation and handing over the "Hak Ulayat" land to the government are recorded since 1991. The handing over of the land are chosen and approved by their own representative namely "Ninik Mamak" on that moment.</p>
	<p>Status: Comply</p>

6.5 Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

6.5.1
 Company has internal memorandum no. 001/WIP-HRR/Int-XII/2015 about minimum wage of West Sumatera Province. It is said that minimum wage of all workers is based on Governor Decision about Minimum Wage of West Sumatera Province 2015 no 562-777-2015. It also regulates the basic wage for bulking system, operator, driver, and FFB loader by considering the type, nature, and weight of the job. Company could present the payment receipt of minimum wage as indicated in personnel salary list.

Based on interview with temporary worker (loosefruit collection) in PHP 2 and document review of salary list for December 2016, average wage for temporary worker (loosefruit collection) is below daily minimum wage. Moreover, company also could not present the mechanism in determination of basic wage for bulking system, operator, driver, and FFB loader by considering the type, nature, and weight of the job. **Its be NCR No 2017.11 With Major Category**

6.5.2
 Work agreement (contract) between worker and company describes about type of work and salary, duty and responsibility, work hour, health and medical, work termination, and others. Contract is written in Indonesian Language and workers are understood the substance of the contract. On the chapter which describes salary system, stated that basic wage for permanent daily worker is above daily minimum wage.

Company also has collective labour agreement (PKB) between company and labour union for period year 2016 – 2018 which is endorsed by Manpower and Transmigration Agency in Pasaman Barat Regency. The collective labour agreement is regulated about company and worker responsibilities, recruitment process, promotion and demotion, work time management, payment system, social insurance, contract termination, and so on.

6.5.3
 Company provides the facilities for worker welfare such as housing, polyclinic, worship venue, religious facilities, sport yard, and access to electricity. Based on field observation in PHP 1 and PHP 2 housing, it is known that the facilities and infrastructure are in good condition. Company provide electricity subsidies for all workers every month. Beside education facilities, company also provide school bus to children transportation.

6.5.4
 Based on field observation and interview, it is known that worker buy the staple food to the market in Simpang Empat, it can be accessed within ± 30 minutes by using vehicle. Company also provide stall that sell staple food and drinking water. It can be concluded that the access to the nearest market is available.

6.5.1	Status: NCR No 2017.11 With Major Category
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6.6 The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

6.6.1
 Company's policy on providing freedom for its workers to establish and join labour union is stated in:

- Internal memorandum no 026/WIP-HRD/Int-VIII/2009 dated August, 12th 2009 regarding worker regulation.
- Collective Labor Agreement period 2016 – 2018 in Article 7 recognition of union, article 8 facilities and exemptions for union, Article 9 General Obligations

Company facilitates the establishment of trade union (SPSI) to deliver the information from the workers to company and vice versa. Based on interview with manpower and transmigration agency in Pasaman Barat Regency, trade union has been registered and approved officially. The registration number for PT. GMP trade union is 560/06/DSTK-TRANS//2016 and registration number for PT. PHP trade union is 560/01/SP-SB/DST-TRNAS/XI/2012.

6.6.2
 Labor union conducts meeting periodically or where there is an issue with company or the member of union. There are meeting documentation, such as minutes of meeting on August 20th 2016 about discussion of the contents of Collective Labor Agreement and the consequence if workers do not use the PPE. This meeting was attended by 16 participants. These documentation is available for member and placed at each unit.

Status: **COMPLY**

6.7 Children are not employed or exploited.

6.7.1

Company's policy regarding minimum age for worker regulated on Policy about Children Labor, signed by Group Plantation Head and Group CSR Head on September 2010. It is stated that company won't employ children who are included in the definition of the provisions of ILO conventions, even though there are laws or regulations that would enable state and local and against all forms of child exploitation.

Based on field observation in GMP POM, GMP Estate, PHP 1 and PHP 2 estate, there are no worker under 18 years old. Based on public consultation with Manpower Agency of Pasaman Barat District, there is no issue regarding child labor in company.

Status: **COMPLY**

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

6.8.1

Company has policy regarding anti discrimination which signed by Group Plantation Head and Group CSR Head on September 2010. Based on field observation and interview with worker in estate and mill, it is known that there is no discrimination toward personnel based on origin, ethnicity, race, gender and religion. Based on public consultation with Manpower Agency of Pasaman Barat Regency, there is no discrimination issue. Based on work agreement between temporary daily worker and company, it is known that working days are set 5 days a week. Associated with the statement, company has made the new work agreement without setting the number of working days in a week. **(Observation)**.

6.8.2

Based on interview with female worker in GMP estate dan PHP 1 and 2 Estate, there is no discrimination issue in company. Based on field observation and interview with worker in estate and mill, it is known that there is no discrimination toward personnel based on origin, ethnicity, race, gender and religion and there is no complaint about discrimination. Based on public consultation with Manpower Agency of Pasaman Barat Regency, there is no discrimination issue.

6.8.3

Company has the procedure for recruitment No. PRO-HRD-001 dated October 1st 2011. Recruitment should be adjusted to the needs of worker and there is no discrimination against disabilities and HIV/AIDS. Company also has the procedure for employee performance evaluation No. PRO-HRD-03 dated October 1st 2011. The evaluation is held 4 times in a year. There is a sample for employee performance evaluation such as evaluation of probation period for harvester.

Status: **COMPLY**

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

6.9.1, 6.9.2, 6.9.3

Company has the Policy to prevent sexual harassment and abuse on Internal Memorandum No. 026/WIP-HRD/Int-VIII/2009 signed by HRD Head on August, 12th 2009. This policy has been socialized to the worker, as example on April 19th 2016 in PT. GMP and October 14th 2016 in PHP II estate. There is minutes of meeting and list of attendees. Company has establish gender committee in each unit and its program is conducted socialization to the worker especially female worker, such as policy about reproductive rights, spraying technic, harassment or abuse in the work place complaints mechanism. Complaint mechanism explains that the company could keep the confidentiality of reporter's identity based on the sensitivity of issues, if the case goes public and the risk of revenge and so on.

Based on interview with female worker in PHP I and PHP II, they understand about the policy and know how to make a complaint if they found out about harassment issue. They also has their reproductive leave such as menstrual leave or 2 days and maternity leave for 3 months. Based on interview with gender committee, there is no cases of sexual abuse reported in last year.

Status: **COMPLY**

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

6.10.1; 6.10.2

GMP POM receives FFB from nucleus estate, Scheme smallholders and third parties. Prices were set for FFB of Smallholders schemes the price from government, while the FFB prices of third parties referring to the agreement made by both parties.

Based on documents verifications and stakeholder consultation obtained information if the both parties agree and understand the work agreement, which is legal and transparent. The agreement points such as:

- Cooperative should sell the FFB to company and company should purchase the FFB
- The price of FFB is based on market price and government regulations
- The price of FFB is collectively set between plasma cooperative, company and government.

6.10.3; 6.10.4

Based on field observation, it is known that there are managed areas which are located outside the boundaries of the concession and do not have a valid legality. The location is in the West of BTS 23 (Block 22) of ± 20.8 ha. Meanwhile, FFB production from that area is categorized into RSPO FFB certified that sent to GMP POM. But the company has not been able to show the proof of land management of ± 20.8 Ha (non-HGU) as FFB third-party supplier to GMP POM.

According to interviews with the cooperative administrator shows that the company has paid FFB every month (as agreed) and has never experienced delays.

PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block. Based on field observation, it is known that there are managed areas which are located outside the boundaries of the concession and do not have a valid legality. The location is in the West of BTS 23 (Block 22) of ± 20.8 ha. Meanwhile, FFB production from that area is categorized into RSPO FFB certified that sent to GMP POM.

But the company has not been able to show the proof of land management of ± 20.8 Ha (non-HGU) as FFB third-party supplier to GMP POM. **Its be NCR 2017.04 With Minor Category**

6.10.3 **Status: NCR 2017.04 With Minor Category**

6.11

Growers and millers contribute to local sustainable development wherever appropriate.

6.11.1

A record of contributions to local development by the certificate holder is presented in the report of Community Development and Corporate Social Responsibility for year 2016. Based on the information gathered during stakeholder consultation with local communities (Jorong Tanjung Pangka, Jorong Pisang Hutan, Kanagarian Sasak Ranah Pasisie and Kanagarian Kapa), the certificate holder has contributed to local communities, for example road construction for farmer group access at Jorong Labuih Luruh, renovation of mosque at Jorong Rimbo Candung, etc.

6.11.2

The certificate holder has smallholder scheme:

	PT. GMP		PT. PHP-1		PT. PHP-2	
Cooperative	KUD Lingkung Aur II	KSU Bina Tani Sejahtera	KUD Kapa	KUD Rantau Pasaman Sasak	KUD Permata Sawit Maligi	KSU Bosa Sawit Sikilang
Legal Entity	No. 2058/BH- XVII, 9 April 1992	No. 258/BH/III.19/ BPM2T/VII- 2014, 21 Juni 2014	No. 97/BH- XVII, 5 Desember 1987	No. 853/BH- XVII, 11 Mei 1982	No. 06/BH/KWK.3/ III/98, 2 Maret 1998	No. 02/BH/KDK. 32.1/V/2004, 7 Mei 2004
SH Name	Rimbo Jandung	Tanjung Pangkal	Kapa 353; Kapa 344	Sasak	Maligi	Sikilang

Farmer Number	494	500	348	236	332	128
Hectarage (Ha)	989	1.000	697	473	665	256
YoP	1998 - 2011	1992 - 1997	1997, 1998, 1999, 2000	1996, 1998, 1999, 2000	1996, 2001	1997, 2000
FFB Prod. Year 2016 (MT)	11.494,02	17.093,90	11.966,59	3.436,69	6.213.58	3.380,96

Status: COMPLY

6.12

No forms of forced or trafficked labour are used.

6.12.1, 6.12.1, 6.12.3

Based in document review and interview with workers, it is known that there is no migrant labor. There is no force labor and illegal workers, all workers have work agreement between company and personnel. The contract describes about type of work, salary mechanism, and others. Work agreement is available in Indonesian language. They can access their personal file in administration each unit. Based on field observation in GMP Estate, PHP I and PHP II estate, auditor didn't sighted harvester accompanied by the wife or children.

Status: COMPLY

6.13

Growers and millers respect human rights

6.13.1

Certificate holder has had a policy on human rights that was ratified in June 2014. In the policy explained that Wilmar International Plantation is complying with the principles of tribute and protection on human rights internationally known, applicable local laws regulations. Field observation and interviews with workers obtained information that the policy has been socialized by pamphlets in Estate Office and emplasment, and the workers had been aware about the policy. However, based on interviews with stakeholders and document review, it is known that the policies have not been socialized to all affected parties. **Its be NCR no 2017.12 With major Category.**

6.13.1 **Status: NCR no 2017.12 With Major Category.**

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.

7.1.1; 7.1.2; 7.1.3

The certificate holder has no expansion area for planting. Planting year in both companies are: 1992 – 1997 (GMP), 1996-1999 (PHP-1) dan 1996 - 1998 (PHP-2). An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders are still applicable and documented. Please refer to Criteria 5.1 and 6.1.

Status: COMPLY

7.2

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

There is no cultivation or new plantation expansion in PT. GMP and PT. PHP.
The cultivated year of palm oil in both company, such as: 1993 – 1999 (GMP Estate), 1996 - 1999 (PHP 1 Estate), and 1996 - 1998 (PHP 2 Estate). The HCV identification has been conducted in 2012 by the licensed assessor/ *RSPO HCV Approved Assessor*. Meanwhile the replanting activity has been conducted in PT. GMP for period 2014 to 2016 with total replanting area of 964.54 Ha.

	Status: COMPLY	
7.3 New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.		
7.3.1; 7.3.2; 7.3.3; 7.3.4; 7.3.5		
<p>The Certificate Holder has performed the HCV identification on 2012 by RSPO Approved HCV Assessor. According to the planting year, PT. GMP and PT. PHP has year of planting in period 1992 upto 1999, it means there is no new planting since November 2005 are available on this certification scope area.</p> <p>Prior to audit ASA-3, PT Mutuagung Lestari has made communication to RSPO related status of the Certificate Holder liability referred to indicator 7.3.1. Explanation from RSPO Secretariat that PT. GMP and PT. PHP has submit Disclosure of Liability on 2nd September 2014 with status of Zero Liability.</p>		
	Status: COMPLY	
7.4 Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.		
<p>There is no cultivation or new plantation expansion in PT. GMP and PT. PHP.</p> <p>The cultivated year of palm oil in both company, such as: 1993 – 1999 (GMP Estate), 1996 - 1999 (PHP 1 Estate), and 1996 - 1998 (PHP 2 Estate). The HCV identification has been conducted in 2012 by the licensed assessor/ <i>RSPO HCV Approved Assessor</i>. Meanwhile the replanting activity has been conducted in PT. GMP for period 2014 to 2016 with total replanting area of 964.54 Ha.</p>		
	Status: COMPLY	
7.5 No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.		
<p>There is no cultivation or new plantation expansion in PT. GMP and PT. PHP.</p> <p>The cultivated year of palm oil in both company, such as: 1993 – 1999 (GMP Estate), 1996 - 1999 (PHP 1 Estate), and 1996 - 1998 (PHP 2 Estate). The HCV identification has been conducted in 2012 by the licensed assessor/ <i>RSPO HCV Approved Assessor</i>. Meanwhile the replanting activity has been conducted in PT. GMP for period 2014 to 2016 with total replanting area of 964.54 Ha.</p>		
	Status: COMPLY	
7.6 Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.		
7.6.1; 7.6.2; 7.6.3; 7.6.4; 7.6.5; 7.6.6		
<p>The certificate holder has no expansion area for planting. Progression of planting still ongoing for the area that has been compensated within the HGU of the company. Evidence of the FPIC process and progress of land compensated records are referred to Criteria 2.2; 2.3; 6.4.</p>		
	Status: COMPLY	
7.7 Use of fire in the preparation of new plantings is avoided other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.		
<p>No planting or development of new land in the PT. GMP and PT. PHP. Year of planting oil palm in both companies, among others: 1992 - 1997 (GMP) and 1996-1999 (PHP-1). Identification of HCV conducted in 2012 by appraisers who are registered as RSPO HCV Approved Assessor. While replanting activities already underway in PT. GMP for 2014 and 2015 with a total area of 631.27 hectares of replanting.</p>		
	Status:	
7.8 New plantation developments are designed to minimise net greenhouse gas emissions.		

7.8.1; 7.8.2	
The certificate holder has no expansion area for planting. GHG calculation for existing plantation and mill, please referred to Criteria 5.6.	
	Status:
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.	
OHS Aspect	
- Company does not use Paraquat since 2011.	
Environmental Aspect	
- Plan to reduce or minimize the significant pollutants and GHG emissions were implemented by the certificate holder through Methane Capture installation at GMP POM.	
Agronomy Aspect	
- Marking pole for Ganoderma diseases suspect on replanting area	
- Replanting area conducted based on low yield performance of palm crops and considering of highly dura variety.	
	Status: COMPLY

3.2 Summary of Assessment Report of Supply Chain Requirements

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>GMP POM until audit ASA-3 is still implemented a model of supply chain Mass Balance. FFB supply source for GMP POM is still received from uncertified sources. The volume of products sold by using Mass Balance claim.</p> <p>GMP POM has determined supplier FFB RSPO certified and non-certified RSPO, are:</p> <p>RSPO Certified</p> <ul style="list-style-type: none"> - PT GMP - PT PHP1 - PT PHP 2 <p>RSPO Nonn Certified</p> <ul style="list-style-type: none"> - Smallholders scheme of PT GMP - Smallholders scheme of PT PHP1 - Smallholders scheme of PT PHP2 - PT Siak Sinar Prima - AMP Ramp <p>But In the TBS Admissions procedure (PRO - mill OO1) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2.</p> <p>Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 22.</p> <p>Regarding to that matter, the company has not been able to show identification evidence in detail of the certified and non-certified sources, for example in PT PHP Unit 2 Block 22 covering of ± 20.8 Ha. Its be NCR 2017.13 With Major Category</p>	
Status: NCR 2017.13 With Major Category	
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>Estimated volume of certified products for GMP POM is listed in the certificate appendix. The auditor teams conduct verification on the actual volume of certified products produced at the time of Surveillance activities. Information of certified products volume and were sold with a certificate claim, will be attached to the report as well as the renewal (update) data on the system eTrace.</p>	

- Estimate Periode 21 April 2016 – 20 April 2017			
	Information	Estimate	Actual 21 April – 23 Januari 2017)
	CPO	19,649.25 Tonnes	6,809,050 Tonnes
	PK	5,325 Tonnes	1878.13 Tonnes
	Status: Comply		
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).			
GMP POM has been submitted in the RSPO e-Trace system with details: Member ID: RSPO_PO1000002133 License ID: CB36624 With the person ho responsilble are Ibu Pramustika Aringga Muthia. (Departemen Suistanability and Supply chain)			
	Status: Comply		
E.3	Documented procedures		
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:			
<ul 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. 			
<ol style="list-style-type: none"> 1. SOP Mass Balance (SOP – MILL- O23) Rev 2 tanggal 21 Februari 2016)Procedures include: Data Input of FFB (Certified & Non Certified); Data Input of FFB process become CPO (Certified & Non-Certified); Data Input of CPO Dispatch (Technical dispatch, Seals mounting, Delivery of certified products need to be approved by Head of Administrator and Mill Head); Logistics of quantity data input of sustainable and non-sustainable product delivery; Every three months the condition of the stock balance should not be negative; Transactions of certified products, logistic parts inputting data in the eTrace system after all commodities are shipped by POM and accepted by consumers. Data input is done after all the transaction details are correct. 2. Responsible person in the whole process of supply chain described in Procedure of treacebeility for CPO and PK (SOP – MILL- O11) Rev 2 tanggal 21 Februari 2016) Security (registrar of all FFB expeditions and dispatch of CSPO / CPO), Weigh operators (weighing in all received FFB and shipping products), Logistics (calculation results of CSPO / CPO production, dispatch, reports of the products delivery and traceability report), Head of Administrator (acceptance control of FFB and CSPO / CPO, FFB acceptance report, dispatch, product delivery reports and traceability reports), Mill Head. 			
	Status: Comply		
E.3.2			
The site shall have documented procedures for receiving and processing certified and non-certified FFBs.			
The mass Balance procedure (SOP-MIL-023 rev.2), to ensure the verification and documentation of certified and noncertified FFB, CPO, PK volume with Mass Balance scheme. Logistic and Mill Manager are responsible to monitor stock balance and the dispatch of CPO/PL.			
In the TBS Admissions procedure (PRO - mill OO1) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2.			
Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 22.			

Related to this, the company could not show the mechanism / procedure of the reception and processing certified and non-certified FFB from PT PHP Unit 2. **Its be NCR 2017.14 With Major Category**

Status: NCR 2017.14 With Major Category

E.4 Purchasing and goods in

E.4.1

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

GMP POM has determined supplier FFB RSPO certified and non-certified RSPO, are:

RSPO Certified

- PT GMP
- PT PHP1
- PT PHP 2

RSPO Nonn Certified

- Smallholders scheme of PT GMP
- Smallholders scheme of PT PHP1
- Smallholders scheme of PT PHP2
- PT Siak Sinar Prima
- AMP Ramp

Documents verifications **GM POM has documented record FFB reception of certified RSPO and uncertified RSPO are:**

MONTH	FFB Received (Kg)	
	RSPO Certified	Non RSPO Certified
April 2016	2,461,540	3,695,291
May 2016	7,891,080	9,936,774
June 2016	-	21,951,264
July 2016	-	26,625,503
August 2016	-	26,710,971
September 2016	1,268,310	24,109,677
October 2016	7,931,600	12,247,948
November 2016	7,101,460	14,707,850
December 2016	5,946,200	13,476,881
January 2017	4,913,760	7,984,539
Total	37,513,950	161,446,698

***April 2016 started dated 21**

***January 2017 Until dated 20**

But Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 2017

However, the company could not show the documentation volume of certified and non certified FFB received, including from that area.

Status: NCR 2017.15 With Major Category

E.4.2

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

GMP POM has had SOP of RSPO Products Supply Chain Mass Balance Model which describes about If licensed production projections are bigger than the certified product that has been claimed, the things to do are: to inform the related RSPO certification body and the party of RSPO IT system / e-trace.

- Estimate Periode 21 April 2016 – 20 April 2017

Information	Estimate	Actual 21 April – 23 Januari 2017)
CPO	19,649.25 Tonnes	6,809,050 Tonnes
PK	5,325 Tonnes	1878.13 Tonnes

Until the implementation of audit ASA-3, production of certified product still below the previous year's projection.

Status: Comply

E.5

Record keeping

E.5.1

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

GMP POM Has record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.

But Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 2017. Related to the matter above, the company has not been able to separate clearly the separation of certified source derived from nucleus estate (certified and non-certified / non-HGU) Mass Balance sheet. Its be **NCR No 2017.16**

Based on data from Palm Trace GMP POM dated 23 January, 2017, it is known there are sales of CPO and PK RSPO Certified from GM) POM in the period 21 April 2016 – 23 January 2017 as:

Palm Kernel

Date	Destination	Volume (MT)
31-May-16	PT Usaha Inti Padang	419.54
30-Jun-16	PT Usaha Inti Padang	27.36
30-Sep-16	PT Usaha Inti Padang	32.62
31-Oct-16	PT Usaha Inti Padang	346.26
30-Nov-16	PT Usaha Inti Padang	391.78
31-Dec-16	PT Usaha Inti Padang	307.54
Total		1525.1

Palm trace 23 January 2017	Stocks	5325
	Remain Stocks	3,799.90
	Sold	1,525.10

CPO		
Date	Destination	Volume (MT)
31-Oct-16	PT Wilmar Nabati Indonesia	1,603.10
30-Nov-16	PT Wilmar Nabati Indonesia	1,237.18
31-Dec-16	PT Wilmar Nabati Indonesia	821.85
TANGGAL		3,662.13
Palm trace 23 January 2017	Stocks	19,649
	Remain Stocks	15,986.87
	Sold	3,662.13
Status: NCR No 2017.16 With Major Category		
E.5.2		
<p>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>		
<p>Mill does not have partnership with an independent Palm Kernel Crush Plant. Palm Kernel is distributed to PT Wina and PT Usaha Inti Padang.</p>		
Status: Comply		

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√
ASA-3	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	
2.	Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use	X or√
ASA-3	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	
3.	Implementation of Certificate and Logo is not used on product	X or√
ASA-3	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	
4.	Controlling of Certificate and Logo, including withdrawing inappropriate logo.	X or√
ASA-3	PT GMP & PT PHP didn't use RSPO Logo	
	Status: Comply	

3.4 Summary of RSPO Partial Certification

Summary Partial Certification

Compliance of the uncertified management units of Wilmar International Ltd against the rules for partial certification was determined through Self Assessment in accordance with RSPO Certification System clause 4.2.4. A summary of findings is as stated below.

Wilmar International Ltd Time Bound Plan (TBP) is explained in point 1.10. Wilmar International Ltd has informed the TBP progress, MUTU has considered that Wilmar International Ltd is complied with the RSPO requirement for TBP. The Time Bound Plan was revised and declared by Wilmar International Ltd on September 2016.

MUTU has verified partial certification for un-certified unit's subsidiary of Wilmar International Ltd based on their Time Bound Plan. There are seven (7) uncertified mills and sixteen (16) uncertified estates of Wilmar International Ltd. MUTU Auditor verified positive assurance against the company internal audit and supporting evidence as well as any information from others sources.

MUTU Auditor has verified company partial certification and concludes that:

- There are no significant land conflicts which have not been declared above.
- The company has follow RSPO requirement related to New Planting Procedure and Remediation and Compensation Procedure.
- There are no labour disputes that are not being resolved through an agreed process.
- All plantations established since 2005 have been done so in accordance with the applicable laws of the country and that there is no evidence of non-compliance with law in any of the non-certified holdings which has not been declared above.

2.1 Un-Certified Units or Holdings		
Section	Requirement	Concerns to Discuss, if any
2.1.1	Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	<p>Yes and positive assurance is produced for these units.</p> <p>Auditor verification</p> <p>There is internal audit produced for</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman - PT Karunia Kencana Permaisejati - PT Bumipratama Khatulistiwa - PT Agro Palindo Sakti 2 - PT Musi Banyuasin Indah - PT Sinarsiak Dianpermai - PT Agroindo Indah Perkasa 2 <p>And positive assurance is produced for these units.</p>
2.1.2	<p>No replacement after dates defined in Nis Criterion 7.3 of:</p> <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	<p>WILMAR International Ltd has submitted liability disclosure to RSPO on 31 July 2014 and LUCA template on 3-8 March 2015</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, LUCA document was verified by RSPO on 1 Sept 2015. The 2nd LUCA verification document was on 2nd Nov 2015 with result of PASS WITH CLARIFICATION. - PT Karunia Kencana Permaisejati, The final RSPO endorsement from RSPO

		<p>compensation on 11 November 2015 with result of pass with clarification. And at current still on process on fulfil the clarification.</p> <ul style="list-style-type: none"> - PT Bhumi Pratama Khatulistiwa, Submitted liability disclosure to RSPO on 8 Dec 2015 and LUCA template on August 2015. The final RSPO endorsement from RSPO compensation on 29 September 2016 is 0 ha therefore there is no compensation plan required - PT Agro Palindo Sakti 2, LUCA doc was verified by RSPO on 1 Sept 2015. The 2nd LUCA review was on Dec 2016 with result of PASS - PT Musi Banyuasin Indah, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Sinarsiak Dianpermai, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 - PT Agroindo Indah Perkasa 2, 0 liability confirmed by RSPO Compensation. There is no planting after 1 November 2005 <p>Auditor verification Auditor has verified the supporting evidence of above the company statement. The above statement in accordance with the supporting evidence provided.</p>
2.1.3	Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	<p>No new planting/land clearing after 1st January 2010.</p> <p>Auditor verification</p> <ul style="list-style-type: none"> - PT Agronusa Investama Pahauman, The first planting year was in 1999. The latest land clearing was in 2009 based on: LUCA analysis 2009 where the area was already bare land area. LUCA has been submitted to RSPO as part of company disclosure requirement. - There is no new planting after 1st January 2010 for PT Karunia Kencana Permaisejati, PT Bumipratama Khatulistiwa, PT Agro Palindo Sakti 2, PT Musi Banyuasin Indah, PT Sinarsiak Dianpermai, PT Agroindo Indah Perkasa 2
2.1.4	Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	<p>There is no land conflicts.</p> <p>Auditor verification There is no information from public source and RSPO website on any land conflict for uncertified unit of the group subsidiaries.</p>

		Based on the company record there is documentation on land compensation recapitulation updated on 1 October 2007, participatory mapping, agreement letter on compensation between company and land owner, land owner identity and procedure on compensation technical guidance SOP 001/WIP-KB/(0)/0610 dated June 2010.
2.1.5	Any Labour disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	<p>There is no labor disputes.</p> <p>Auditor verification There is no information from public source and RSPO website on any labour conflict for uncertified unit of the group subsidiaries.</p> <p>The company has mechanism to handle employee complaint and grievance that is stated in SOP 005/WIP-KB/(0)/0610 for communication and consultation with community and SOP 004/WIP-KB/(0)/ 0610 on complaint and grivance mechanism and solving any dispute out off court.</p> <p>There is no list of employee and stakeholder complaint and grievance.</p>
2.1.6	Any Legal non-compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	<p>Yes, there is process for land legality.</p> <p>Auditor verification PT Agronusa Investama Pahauman</p> <ul style="list-style-type: none"> - The continues changing on PIPIP map. In accordance to PIPIP 10 there is no area of the company (based on location permit) that is in the moratorium area. When PIPI 11 released, some area of the company is in the updated peat moratorium map. <p>PT Karunia Kencana Permaisejati</p> <ul style="list-style-type: none"> - Overlapping HGU with Another plantation. The verification information is referred to 2.1.3 (legal document on operational and land ownership owned by the company) <p>PT Agro Palindo Sakti 2</p> <ul style="list-style-type: none"> - There is an obstacle on processing HGU is before continuing the HGU process, the company has to complete the requirement for 20% area allocation for smallholder. Based on BupatiSanggau Decree No. 137 year 2011 dated 25 March 2011 for 623 ha of smallholder scheme for 2 koperasi of Batu Ceramin and and Maju Bersama. Later, koperasi Maju Bersama split into Koperasi Maju Bersama and Koperasi Harapan Baru. And Koperasi Harapan Baru wants to take about 136 ha within company

		<p>proposed HGU area. The company needs to resolve this issue first before be able to continue HGU process.</p> <p>PT Musi Banyuasin Indah</p> <ul style="list-style-type: none"> - Overlay the map of land use with attachments Ministerial Decree No. SK.822/Menhut-II/2013 PT MBI entered in production forest area. - Planting outside HGU Kebun Sei Selabu (block 010, 024 and 027). <p>Explanation management unit following the legal department still perform continuous coordination with the government while waiting for a change of government decisions regarding the status of the area.</p> <p>PT Sinarsiak Dianpermai</p> <ul style="list-style-type: none"> - HGU 1,002 Ha on process - Status Areal Penggunaan Lain berdasarkan Lampiran SK 878/Menhut-II/2014 tanggal 29 September 2014 dan Surat No. S.160/BPKH.XIX-3/2016 tanggal 31 Maret 2016 <p>Explanation management unit as follows:</p> <ul style="list-style-type: none"> - Disagreement between the ministry of forestry by the Riau provincial government on the status of land PT SSDP (between the status of forest and APL), which led to the process of making the concession inhibited. - There are some estate areas around the Mill that does not have permission locations. The process of acquiring a location permit was hampered due to the reasons in point 1 as well. - The legal department is still doing continuous coordination with the government while waiting for a change of government decisions. <p>PT Agroindo Indah Perkasa 2</p> <ul style="list-style-type: none"> - There is HGU on propose.
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3.5 Identification of Findings, Corrective Action, Observations, OFI and Noteworthy Positive Components

3.5.1 Identification of Findings, Corrective Actions and Observations at *ASA-3* Assessment

NCR No.	: 2017. 01	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 January 2017	Time Limit	: ASA - 4
NC Grade	: Minor	Date of Closing	:
Standard Ref. & Requirement	<p>1.2.2 Evidence that legal boundaries are shown with a clear boundary and maintained</p> <p>Specific guidance 2.2.2: Growers should be suspended operations in the area were planted outside the limits specified legally. Specific plans should be available to address these issues for farmers (smallholders) related</p>		
<p>Non-Conformance Description & Evidence observed:</p> <p>PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block.</p> <p>Based on field observation:</p> <ol style="list-style-type: none"> There are 2 HGU boundary markers with the same code that BTS 02. The location of the boundary markers are in Block 006 (bordering Plasma Maligi) and Block 024-025 (bordering northern community gardens). There are areas managed by the company that is located outside the boundaries of the concession and doesn't have a valid legality. The location is in the West of boundary marker BTS 23 (Block 22) of ± 20.8 ha. Meanwhile, FFB production from that area is categorized into RSPO FFB certified that sent to GMP POM. <p>However, the company has not been able to show proof:</p> <ol style="list-style-type: none"> The determination of HGU boundary marker which have the same numbering. Operational activity outside legal area is terminated. Specific plan about mechanism that explain the origin of FFB is from the areas categorized as RSPO uncertified sources. 			
<p>Root Cause Analysis <i>(filled by organization audited)</i>:</p> <ol style="list-style-type: none"> Numbering of same boundary poles has been referred to HGU map of PHP-2. Formerly, Block 22 is included certified area so that FFB from its area calculated as certified source. 			
<p>Corrective Action <i>(filled by organization audited)</i>:</p> <ol style="list-style-type: none"> Based on "Peta Ukur" that issued by BPN Pasaman on 30 March 2005, there is two poles number with similar code [BTS 02], the numbering of its poles technically will be differentiated. Poles No. BTS 02 Block 006 (boundary with Maligi Smallholder) will be BTS 02 S and BTS 02 Block 024-025 (border with community land in North) will be BTS 02 U. Releasing of Block 22 from Area Statement as per 1 April 2017 FFB from Block 22 claimed as non certified product as per 1 April 2017 within List of FFB Suppliers and in the Mass Balance Report GMP POM 			
<p>Preventive Action <i>(filled by organization audited)</i>:</p> <ol style="list-style-type: none"> Maintaining of boundary poles. 			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor)</i>:</p> <p>6 March 2017</p> <p>This issue will be verified in the next assessment (ASA-4)</p>			

Verified by	: Yudwi Wisnu Rahmanto
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NCR No.	: 2017. 02	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 Januari 2017	Time Limit	: ASA-4
NC Grade	: Minor	Date of Closing	: 11 April 2017
Standard Ref. & Requirement	<p>2.2.3 If there is a dispute or has occurred, then it should be provided proof of takeover and legally adequate compensation or compensation through a settlement process of conflict resolution that has been received through Free, Prior and Informed Consent (FPIC) by all the parties concerned.</p> <p>Guidance: When operational overlap with other rights owners, the company should resolve the issue with the authorities, consistent with the criteria 6.3 and 6.4</p>		
<p>Non-Conformance Description & Evidence observed: PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block.</p> <p>Based on map and area statement information, it is known that the identified cultivated area are 80.81 hectares. Based on field observation, it is known that there is no management activities that carried out by the company in that area and based on information from management and community representatives Sikilang, the area within the management of Plasma Sikilang</p> <p>Until now, the company has not been able to show proof of delivery of the management area to smallholder through FPIC and participatory.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Land transfer from part of HGU PT. PHP-2 to Sikilang Smallholder has been given for long time, due to fulfill the lack of allocated area for smallholder.</p>			
<p>Corrective Action <i>(filled by organization audited):</i> Land transfer since 1993 and there is no record available in that time. Up to this moment, these area is managed by Sikilang smallholder and acknowledge by the company</p>			
<p>Preventive Action <i>(filled by organization audited):</i> If there is any similar cases in futher, the FPIC process will be recorded.</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 27 March 2017: Evidences of "Surat Keterangan Penyerahan Lahan kepada KSU Mutiara Bosa Sikilang" dated 23 March 2017 and Map with scale 1:15,000 (Map Ref: HD6626_rev3) for an area 80.81 Ha. However, there is still lack of FPIC and participatory involvement against the evidence. This NC still NOT COMPLY.</p> <p>Auditor response against evidence sent on 11 April 2017: CH sent the additional evidence and auditor team concludes accepted and the status is CLOSED WITH OBSERVATION.</p>			
Verified by	: Yudwi Wisnu Rahmanto		

NCR No.	: 2017. 03	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 January 2017	Time Limit	: ASA-4

NC Grade	: MAJOR	Date of Closing	: 11 April 2017
Standard Ref. & Requirement	: 2.3.1 The maps at a suitable scale, showing the broad legal rights, customary rights, or the right to use the parties recognized (Criterion 2.2, 7.5 and 7.6) must be made through a mapping process involving all parties affected (including surrounding communities where possible and relevant authorities).		
<p>Non-Conformance Description & Evidence observed: PT. GMP has valid area statement, which identified the occupational area of 212.24 hectares. The area consists of two different locations namely: Block 54 (172 ha) and adjoining Blocks 71, 75, 79, 80 covering an area of 40.24 hectares.</p> <p>The results of the field observations it is known that the area within the concession company's management and the current status titled by society.</p> <p>PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block. Based on map and area statement information, it is known that the identified occupational area are 80.81 hectares. Based on field observation, it is known that there is no management activities that carried out by the company in that area and based on information from management and community representatives Sikilang, the area within the management of Plasma Sikilang.</p> <p>Until ASA 3, PT. GMP and PT. PHP unit 2 (PHP-2) has not been able to show:</p> <ol style="list-style-type: none"> 1. Mapping process of the entire user identification or occupational areas with an adequate scale. 2. Evidence of participatory mapping process with the involvement of affected parties and / or the designated representative of their choice. 			
<p>Root Cause Analysis <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Mapping process has ever been done with relevant parties (cultivator, company and local statutory body) until the final verdict at High Court of Sumatera Barat. But all the document records have not provided during the audit. 2. Since 2003, the company has recognized that occupied land within the HGU has been given to KSU Mutiara Bosa Sikilang (smallholder scheme) to managed, and there is no participatory mapping in that time. 			
<p>Corrective Action <i>(filled by organization audited):</i> Making Minutes of Meeting, record and participatory mapping for an area 80.81 Ha through FPIC process.</p>			
<p>Preventive Action <i>(filled by organization audited):</i> Records of the participatory mapping process should be made if further happens with similar cases.</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 27 March 2017: CH has sent the evidences for the history of the land occupation within the HGU area in Block 54 of PT. GMP, as well as participatory mechanism. This evidence is accepted. For the PT. PHP, evidence of "Surat Keterangan Penyerahan Lahan kepada KSU Mutiara Bosa Sikilang" dated 23 March 2017 and Map with scale 1:15,000 (Map Ref: HD6626_rev3) for an area 80.81 Ha. However, there is still lack of FPIC and participatory involvement against the evidence. This NC still NOT COMPLY.</p> <p>Auditor response against evidence sent on 11 April 2017: CH sent the additional evidence for case on PT. PHP-2 as follows:</p> <ul style="list-style-type: none"> - Minutes between PT. PHP and Smallholder KSU Mutiara Bosa Sikilang (dated 30 March 2017) regarding land transfer for area 80.81 Ha, as well as the statement of both with participatory ways. - Map of the Land Transfer to KSU Mutiara Bosa Sikilang smallholder Scale 1:15,000 that approved and signed by both parties. - Records of the Land Transfer Statement, dated 30 March 2017. <p>Auditor team concludes this evidence is accepted and the status is CLOSED WITH OBSERVATION.</p>			
Verified by	: Yudwi Wisnu Rahmanto		

NCR No.	: 2017. 04	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 4 May 2017:
Standard Ref. & Requirement	<p>4.1.4 (MAJOR) Mills must record the source of FFB originating from a third party (collector, agent, cooperative, association partners and corporate partners / outgrower)</p> <p>6.10.3 (Minor) Must provided evidence that all parties understand the contractual agreements and the contracts are fair, legal and transparent</p>		
<p>Non-Conformance Description & Evidence observed: PT. PHP 2 has an Overlay Block and HGU boundary map with Scale 1: 40,000, equipped with the coordinates table stakes, the number of identified boundary markers and estate operational block. Based on field observation, it is known that there are managed area which is located outside the boundaries of the concession and have not a valid legality. The location is in the West of BTS 23 (Block 22) of ± 20.8 ha. Meanwhile, FFB production from that area is categorized into RSPO FFB certified that sent to GMP POM.</p> <p>But the company has not been able to show the proof of land management of ± 20.8 Ha (non-HGU) as FFB third-party supplier to GMP POM.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.</p>			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Determining that FFB's from this area is non certified product. 			
<p>Preventive Action <i>(filled by organization audited):</i> Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 27 March 2017: CH has sent the evidences as follows:</p> <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: /DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. <p>According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.</p> <p>Auditor response against evidence sent on 17 April 2017: CH has sent the additional evidence as follows:</p> <ul style="list-style-type: none"> • Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product. • FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document. • Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input. <p>Verification on 25 April 2017 by Certification Panel Committee of PT. Mutuagung Lestari Result of Panel Committee stated need more additional evidence related management and FFB delivery status of Block 22 PHP-2 entering the GMP POM should provide.</p>			

Auditor response against additional evidence sent on 4th May 2017:

CH has sent the additional evidence related status of Block 22 PHP-2, where the letter of reference dated 31st March 2017 No. 066/DM-PHP2/III/2017 about "Information of Separation and marking of noncertified FFB" and lifting a letter date 1 February 2017. According to the explanation, auditor team was sighted that FFB from Block 22 PHP-2 still supplied and entering to GMP POM with additional marking as Non-Certified. That area was added in Time-Bound Plan version April 2017 and will be included in the next certification.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by : Moh Arif Yusni /Yudwi Wisnu Rahmanto

NCR No.	: 2017. 05	Issued by	: Arif Faisal Simatupang
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	: 4.3.4 Peat soil subsidence should be minimized and monitored. Management of water system and cover crop program documented is available		

Non-Conformance Description & Evidence observed:

Based on document review of soil types map and field observations, it is known that there are peat areas in PHP II covering of 189.81 ha, or 18.71% of the total area managed. But the company has not been able to provide the evidence that water level and soil subsidence in that area has been monitored, according to RSPO on Best Management Practices Manual for Existing Oil Palm Cultivation on Peat.

Root Cause Analysis *(filled by organization audited):*

Management and monitoring for peatland area have not yet been made, because visually there is no sign of peat, such as crops performance.

Corrective Action *(filled by organization audited):*

Making identification to build bund-off and soil subsidence stick based on soil analysis and topography map.

Preventive Action *(filled by organization audited):*

Records and monitoring of surface water level and subsidences level periodically, in accordance with applicable procedures.

Assessor Evaluation and Conclusion *(filled by auditor):*

Auditor response against evidence sent on 26 March 2017

CH sent the evidences:

- Minutes of soil sampling survey.
- Records on construction of subsidences stick at PHP-2 dated 3 February 2017 at Block 23 and Block 26.
- Subsidence level monitoring form (FRM-EST-57)

All the corrective action made was accepted and stated as **CLOSED WITH OBSERVATION.**

Verified by : Moh Arif Yusni

NCR No.	: 2017. 06	Issued by	: I Wayan Sudi Antara
Date Issued	: 27 January 2017	Time Limit	: ASA 4
NC Grade	: Minor	Date of Closing	: 10 April 2017
Standard Ref. & Requirement	: 4.4.1 Must be provided an implemented water management plan implemented		

	<p>Specific Guidance: Water management plan will take into account the efficiency of water use and the ability to renew water sources.</p>
<p>Non-Conformance Description & Evidence observed (filled by auditor): Company (GMP-POM) already have license to use water from the local government (Decree of West Sumatra Governor Number: 611-393-2016, dated 11 April 2016) amounted to 35.501 m³ / month. Based on data from the year 2016, the average of water used for oil palm cultivation are 35.930 m³ / month. Related to this, the company has not been able show: 1. Evaluation of the use of water exceeds the permit. 2. Efficient water use planning according to the permit.</p>	
<p>Root Cause Analysis (filled by organization audited): Evaluation of water usage was already made annually based on budget and actual, but never been yet compared with permitted volume from the license that issued by local government.</p>	
<p>Corrective Action (filled by organization audited): Make an evaluation of water usage for Mill processing and domestic used as well as compared with the applicable permitted volume.</p>	
<p>Preventive Action (filled by organization audited): Making a Water Usage Management program in accordance with mill processing and domestic used necessity.</p>	
<p>Assessor Evaluation and Conclusion (filled by auditor): Auditor response against evidence sent on 10 April 2017 CH provide the evidence of evaluation on water usage management that referred to applicable permitted volume. The evaluation will made in monthly period. Also, water management program of GMP POM is available and approved by responsible person, dated 24 February 2017. The corrective evidence is sufficient and stated as CLOSED WITH OBSERVATION.</p>	
Verified by	: Asystasya Aishah Silalahi

NCR No.	: 2017. 07	Issued by	: I Wayan Sudi Antara
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	<p>4.4.2 Protection of water bodies and wetlands, including maintaining and preserving riparian and buffer zones other water bodies on or before replanting, must be shown.</p> <p>Audit Checklist: - Is there a map identifying the flow of water and wetlands</p>		
<p>Non-Conformance Description & Evidence observed (filled by auditor): PT. GMP has HCV Identification Map covering of 54.63 ha in the form of secondary swamp forest. Based on field observations in Block 053-054, it is known that riparian area of Sungai Batang Pasaman has been planted by palm oil (replanting, 2015) and is not designated as a protected area, it is because the river is located outside the concession area. However, PT. GMP has not been able to show the Identification Watershed and Wetlands map (in accordance with Presidential Decree No. 32 of 1990) on Protected Areas, where Sungai Batang Pasaman is categorized as Protected Areas.</p>			
<p>Root Cause Analysis (filled by organization audited): CH has had watershed and wetland map 2015, this map has been informed to relevant government agency. However,</p>			

<p>during this audit, riparian of Batang Pasaman river which located adjacent the HGU of PT. GMP has change due to natural movement (high stream in rainy season) and erosion on riverbank was sighted. Local government has visited on this area and determined as protected area.</p>	
<p>Corrective Action <i>(filled by organization audited):</i> Re-making a map of identification on watershed and wetlands that referred to national regulation (Kepres No. 32 Tahun 1990).</p>	
<p>Preventive Action <i>(filled by organization audited):</i> Ensuring the map of identification on watershed and wetlands that referred to national regulation (Kepres No. 32 Tahun 1990) are available and well documented.</p>	
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 26 March 2017 The corrective evidence that provided was sufficient and accepted. Status of this NC is CLOSED WITH OBSERVATION.</p>	
<p>Verified by :</p>	<p>Moh Arif Yusni</p>

NCR No. :	2017. 08	Issued by :	Asystasya Aishah Silalahi
Date Issued :	27 January 2017	Time Limit :	26 March 2017
NC Grade :	MAJOR	Date of Closing :	26 March 2017
Standard Ref. & Requirement :	<p>4.7.2 Risk assessment should be available and there are documented records implementation</p> <p>Audit Checklist: Are the plans and procedures have been documented and implemented to address the problem identification?</p>		
<p>Non-Conformance Description & Evidence observed: PT. GMP-PHP has a hazard identification and risk control. However, based on field observation found that there are employees that did not use PPE in accordance with risk identification. For example: - FFB loader worker in PHP -2 (Block 25) did not use helmets. - Worker in kernel station GMP POM did not use ear plugs and masks. - Technician welding who perform welding in kernel station GMP POM did not use protective clothing.</p> <p>However, the company has not been able to show the evaluation and monitoring of the sources of hazards and control which have been set.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Some employees/workers have yet aware for the PPE usage. PPE analysis and evaluation conducted by EHS officer, while each station head are responsible to monitor of PPE usage.</p>			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Create the monitoring checklist of PPE usage for the workers. 2. Company made a statement letter regarding compliances of OHS implementation, acknowledge by workers union and impose the sanction of wrong-doing implementation. 3. Socialization against the statement letter to all workers. 			
<p>Preventive Action <i>(filled by organization audited):</i> Periodically monitoring (once a week) and giving sanction if any wrong-doing implementation of PPE usage during activities.</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 14 March 2017</p>			

<p>Corrective evidences provided by the CH:</p> <ul style="list-style-type: none"> - Monitoring of PPE usage for GMP POM and PHP-2 Estate - Socialization of PPE usage for Mill workers (dated 6 February 2017) and PHP-2 Estate workers (dated 2 February 2017). - Compliances statement on PPE usage to the workers <p>Auditor response against evidence sent on 26 March 2017</p> <p>Additional evidences provided by the CH and it was sufficient and accepted to CLOSED WITH OBSERVATION on this matter.</p>	
Verified by	: Asystasya Aishah Silalahi

NCR No.	: 2017. 09	Issued by	: Yudwi Wisnu Rahmanto
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 18 April 2017
Standard Ref. & Requirement	<p>6.2.1 Communication and consultation procedures should be documented.</p> <p>Guidance: Communication and consultation mechanisms should be arranged in conjunction with local communities and the parties affected or interested. Such a mechanism should take into account existing local mechanisms and language that can be understood all parties.</p> <p>The existence / formation of a forum with various stakeholders should be considered. The communication process should take into account the differences in access to information between women and men; village leaders and daily workers; The new community groups and community groups long; and between different ethnic groups.</p>		
<p>Non-Conformance Description & Evidence observed: PT. GMP & PT. PHP has SOP Communication, Consultation and Coordination with Stakeholders No.PRO-BNM-008, dated October 1, 2011 to be used as guidelines for communications</p> <p>Based on Auditor consultation with relevant stakeholders during the assessment ASA-3, obtained information that some of these stakeholders do not know the mechanism of communication and consultation applied by the company.</p> <p>On this basis, the company has not shown the evaluation evidence of effectiveness of communication and consultation mechanisms on local communities and the affected or interest parties.</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Mechanism of Communication and Consultation is applicable for all stakeholders (internal and external). Evaluation have not been made because so far there is no complaint entering to the company.</p>			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Creating program of socialization related all relevant procedures and policies for year 2017 2. Evidences of socialization with affected parties (particularly surrounding communities) will documented properly 3. Spread the questionnaire and direct visit interview to the affected stakeholders as part of the evaluation 			
<p>Preventive Action <i>(filled by organization audited):</i> Explaining the mechanism of communication and consultation to the affected stakeholders as part of evaluation.</p>			
<p>Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 26 March 2017 Corrective evidences sent by the CH, as follows:</p>			

1. Minutes of Socialization of several procedures (communication and consultation; information services; complaint; human rights and code of conduct policies). The documented records is on 11 March 2017 and 18 February 2017.
2. Flowcharts of Communication and Consultation Procedure, Complaint and Information Services.
3. Questionnaire for local communities

According to these corrective action made, there is still lack of supporting evidence. This NC still OPEN

Auditor response against evidence sent on 11 April 2017

Additional evidence has sent by the CH, but there is still lack of information.

Auditor response against evidence sent on 18 April 2017

Additional evidence with the supporting data has provided by the CH. The process for the implementation of communication and consultation has been following the applicable timeline. Effectiveness of the implementation will be verified in the next assessment (ASA-4). This NC stated **CLOSED WITH OBSERVATION**.

Verified by : Moh. Arif Yusni / Yudwi Wisnu Rahmanto

NCR No.	: 2017. 10	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 26 March 2017
Standard Ref. & Requirement	<p>6.3.1 The mechanism is open to all affected parties, should resolve disputes in a way that is correct, timely and effective, and ensure the anonymity of the reporting and the revealer of the case (whistleblower), if requested, as long as the report is supported with sufficient initial evidence</p> <p>Guidance: If a resolution can be reached, then the complaint can be brought before the RSPO Grievance System (RSPO Complaints System).</p> <p>Dispute settlement mechanisms should be established through AGREEMENTS open and agreed by the relevant parties affected</p> <p>Audit Checklist: If there is no solution, if there is a complaint process that will be brought to the RSPO grievance system</p>		
Non-Conformance Description & Evidence observed:			
<p>PT. GMP - PT. PHP has a complaints mechanism set in Complaints and Dispute Resolution Procedure No. Documents: PRO-BNM-007 Revision 01, dated December 1, 2015. However, in the procedure is found that: There is no regulation if the resolution can't be reached, then the complaint can be brought before the RSPO Grievance System (RSPO Complaints System).</p>			
Root Cause Analysis <i>(filled by organization audited):</i>			
<p>PIC was inaccurate to check that RSPO Complaint system has been explained within the NDPE Policy WILMAR</p>			
Corrective Action <i>(filled by organization audited):</i>			
<p>Provide the NDPE Policy WILMAR</p>			
Preventive Action <i>(filled by organization audited):</i>			
<p>Socialization to all PIC and affected stakeholders against the procedure of complaint resolution</p>			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i>			
Auditor response against evidence sent on 14 March 2017			

The CH has provide the corrective evidence, but there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action. This NC still OPEN

Auditor response against evidence sent on 26 March 2017

Clarification has made by the CH, and the explanation was accepted. Status of NC is **CLOSED WITH OBSERVATION**

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017. 11	Issued by	: Asystasya Aishah Silalahi
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 16 May 2017
Standard Ref. & Requirement	: 6.5.1 Must be available documentation of wages and conditions of employment in accordance with the provisions of the labor force.		
Non-Conformance Description & Evidence observed:			
Wage system in PT. GMP-PHP is set in Internal Memorandum No: 001 / WIP-HRR / INT-XI / 2016 concerning Minimum Wage West Sumatra Province Year 2017 amounting to Rp. 77.972 / day for daily employees and wages for employees with labor system determined specifically considering the type, nature, and the weight of the job.			
In interviews with the loose fruit picker in PHP-2, discovered that the average output produced per day is 200-300 kg / person or equivalent to Rp. 33.000 to 49.500 / person. Meanwhile, based on pay slip review for the period December 2016 loose fruit picker, it is known that the average wages of workers is Rp. 69.120 / day.			
According to the employment agreement for loose fruit activities is in the category of contract labor system, where wage provisions should refer to the memorandum that has been set.			
Related to this, the company has not been able to provide evidence that the wage determination of contract employee in accordance with the provisions assigned by the management and government.			
Root Cause Analysis <i>(filled by organization audited)</i> :			
Wages rate for loose fruit handpicker ("borongan") are not equal with provincial minimum wage per day			
Corrective Action <i>(filled by organization audited)</i> :			
Re-evaluation and re-calibrating for the wages rate basis with referred to applicable minimum wages.			
Preventive Action <i>(filled by organization audited)</i> :			
Monitoring and Ensuring the wages rate per day is appropriate with applicable minimum wages.			
Assessor Evaluation and Conclusion <i>(filled by auditor)</i> :			
Auditor response against evidence sent on 27 March 2017			
CH sent the corrective evidence for the explanation regarding adjustment of the losse fruit handpicker price/rates dated 24 March 2017.			
Verification on 25 April 2017 by Certification Panel Committee of PT. Mutuagung Lestari			
Result of Panel Committee stated need more additional evidence related implementation of loose fruit handpicker wages that referred to Minimum Wages should provide.			
Auditor response against evidence sent on 16 May 2017			
CH sent additional corrective evidence as implementation of the adjustment of the losse fruit handpicker price/rates in form of Salary Month of April 2017 for GMP and PHP for loose fruit picker. The document shows that the salary is in accordance with letter from GM – Sumatera 1 dated 24 th March 2017 Regarding Price Adjustment for Loose Fruits, stating that if loose fruit picker has worked for 7 (seven) hours but still not able to achieve wages according to the			

calibration results then the wage is paid in accordance with daily wage of Rp 77,972, - While if the loose fruit picker are unable to comply with the terms of working hours for 7 (seven) hours then the wage is paid on the basis of the work of each worker. Based on letter from GM – Sumatera 1 dated 17th April 2017 Regarding Price Adjustment for Loose Fruits, stating that the calibration result is 330 kg for minimum daily wage.

Efectiveness of the implementation will be verified in the next assessment (ASA-4). This NC stated **CLOSED WITH OBSERVATION.**

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017. 12	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 18 April 2017
Standard Ref. & Requirement	6.13.1 (MAJOR) Policies to respect Human Rights should be documented and communicated to all levels of employees and operations 1.3.1 (Minor) Provided a written policy should contain a commitment to a code of integrity and ethical conduct in all operations and transactions as well as process documentation, information about the policy and operation rate of employment kesluruh		
Non-Conformance Description & Evidence observed: PT. GMP-PHP has a policy related to Human Rights Policy and commitment to the company's code of conduct (December 15, 2013). However, based on interviews with stakeholders and document review, it is known that the policies have not been socialized to all affected parties.			
Root Cause Analysis <i>(filled by organization audited):</i> Affected stakeholders are workers and contractors in all level.			
Corrective Action <i>(filled by organization audited):</i> <ol style="list-style-type: none"> 1. Create the socialization program to all affected parties, including contractors for year 2017 2. Records of all socialization must be properly documented. 			
Preventive Action <i>(filled by organization audited):</i> Monitoring on implementation of human rights and ethical conduct based on timeline program			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 26 March 2017 Corrective evidences sent by the CH, as follows: <ol style="list-style-type: none"> 1. Minutes of Socialization of several procedures (communication and consultation; information services; complaint; human rights and code of conduct policies). The documented records is on 11 March 2017 and 18 February 2017. 2. Flowcharts of Communication and Consultation Procedure, Complaint and Information Services. 3. Questionnaire for local communities According to these corrective action made, there is still lack of supporting evidence. This NC still OPEN			
Auditor response against evidence sent on 11 April 2017 Additional evidence has sent by the CH, but there is still lack of information.			
Auditor response against evidence sent on 18 April 2017 Additional evidence with the supporting data has provided by the CH. The process for the implementation of communication and consultation has been following the applicable timeline. Efectiveness of the implementation will be verified in the next assessment (ASA-4). This NC stated CLOSED WITH OBSERVATION.			
Verified by	: Moh Arif Yusni / Yudwi Wisnu Rahmanto		

NCR No.	: 2017. 13	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017
Standard Ref. & Requirement	SCCS Modul E for CPO Mills: Mass Balance E.1.1 CPO factory certification is required to verify the volume of FFB Certified and is not coming into the plant and the sales volume of RSPO-certified producer. Factories may receive FFB submissions from farmers who are not certified, apart from bersertifikasinya own land. With that scenario, the factory can claim only palm oil products produced from the processing of FFB certified as MB.		
Non-Conformance Description & Evidence observed: In the TBS Admissions procedure (PRO - mill OO1) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2. Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 22. Regarding to that matter, the company has not been able to show identification evidence in detail of the certified and non-certified sources, for example in PT PHP Unit 2 Block 22 covering of ± 20.8 Ha			
Root Cause Analysis <i>(filled by organization audited):</i> Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.			
Corrective Action <i>(filled by organization audited):</i> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Revising on FFB Receiving Procedure 3. Determining that FFB's from this area is non certified product. 			
Preventive Action <i>(filled by organization audited):</i> Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 27 March 2017: CH has sent the evidences as follows: <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.			
Auditor response against evidence sent on 11 April 2017: Corrective action sent by the CH following are: <ul style="list-style-type: none"> - Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources. - Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding 			

segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017.

- Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources.
- Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input.

However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.

Auditor response against evidence sent on 17 April 2017:

CH has sent the additional evidence as follows:

- Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product.
- FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document.
- Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017. 14	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017
Standard Ref. & Requirement	SCCS Modul E for CPO Mills: Mass Balance E.3.2 Facility must have documented procedures reception and processing of FFB certified and non-certified.		
<p>Non-Conformance Description & Evidence observed: In the TBS Admissions procedure (PRO - mill OO1) Rev. 3 dated February 16, 2016) At 5.1 points explained that the reception of FFB certified, the weighbridge clerk ensure the validity of the certificate matches the FFB recipient supplier list of PT Gersindo. The source of FFB certified are from PT. GMP, PT. PHP unit 1 and PT PHP Unit 2.</p> <p>Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 22.</p> <p>Related to this, the company could not show the mechanism / procedure of the reception and processing certified and non-certified FFB from PT PHP Unit 2</p>			
<p>Root Cause Analysis <i>(filled by organization audited):</i> Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.</p>			
<p>Corrective Action <i>(filled by organization audited):</i></p> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Revising on FFB Receiving Procedure 3. Determining that FFB's from this area is non certified product. 			

Preventive Action *(filled by organization audited):*

Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22

Assessor Evaluation and Conclusion *(filled by auditor):*

Auditor response against evidence sent on 27 March 2017:

CH has sent the evidences as follows:

- Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha.
- Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM.

According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.

Auditor response against evidence sent on 11 April 2017:

Corrective action sent by the CH following are:

- Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources.
- Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017.
- Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources.
- Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input.

However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.

Auditor response against evidence sent on 17 April 2017:

CH has sent the additional evidence as follows:

- Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product.
- FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document.
- Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017. 15	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017
Standard Ref. & Requirement	SCCS Modul E for CPO Mills: Mass Balance E.4.1 Facility must have documented procedures FFB reception and processing of certified and non-certified.		

Non-Conformance Description & Evidence observed:

Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha.

Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 2017

However, the company could not show the documentation volume of certified and non certified FFB received, including from that area.

Root Cause Analysis *(filled by organization audited):*

Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.

Corrective Action *(filled by organization audited):*

1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement.
2. Revising on FFB Receiving Procedure
3. Determining that FFB's from this area is non certified product.

Preventive Action *(filled by organization audited):*

Making an identification code (stamp) as Non- Sustainable source on Delivery Notes from Block 22

Assessor Evaluation and Conclusion *(filled by auditor):*

Auditor response against evidence sent on 27 March 2017:

CH has sent the evidences as follows:

- Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha.
- Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM.

According to these evidence, there is still lack of information on Root Cause Analysis, Corrective Action, Preventive Action and unclearly statement within the cut-of date for the implementation. This NC still OPEN status.

Auditor response against evidence sent on 11 April 2017:

Corrective action sent by the CH following are:

- Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources.
- Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017.
- Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources.
- Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input.

However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.

Auditor response against evidence sent on 17 April 2017:

CH has sent the additional evidence as follows:

- Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product.
- FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document.
- Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by : **Yudwi Wisnu Rahmanto**

NCR No.	: 2017. 16	Issued by	: Moh. Arif Yusni
Date Issued	: 27 January 2017	Time Limit	: 26 March 2017
NC Grade	: MAJOR	Date of Closing	: 17 April 2017
Standard Ref. & Requirement	SCCS Modul E for CPO Mills: Mass Balance E.5.1 a. Facilities should record and balance all FFB acceptance and shipment of RSPO-certified CPO, PKO, and the core RSPO certified palm with three-monthly basis b. All volumes of palm oil and palm kernel oil are shipped deducted from the accounting system materials in accordance with the conversion rate specified by the RSPO. c. Facilities can only send sales Mass Balance of the stock is positive. Stock positives can include product orders for delivery within the three-month period. However, the facility is allowed to sell a lower (such as a product can be sold prior to the stock).		
Non-Conformance Description & Evidence observed: Based of field observation in PT PHP Unit 2 it is known that there are managed area located outside the boundaries of the concession and have not valid legality. The location is in the West of BTS 23 (Block 22) covering of ± 20.8 ha. Meanwhile, the FFB production from that areas is categorized as FFB RSPO certified that sent to GMP, for example SPB No GATP0143512 dated 22 January 2017 Related to the matter above, the company has not been able to separate clearly the separation of certified source derived from nucleus estate (certified and non-certified / non-HGU) Mass Balance sheet.			
Root Cause Analysis <i>(filled by organization audited):</i> Formerly, area of Block 22 is included within the certified area scope, then the FFB's can be claimed as certified source.			
Corrective Action <i>(filled by organization audited):</i> <ol style="list-style-type: none"> 1. Releasing an area of Block 22 PHP-2 (20.8 Ha) from area statement. 2. Revising on FFB Receiving Procedure 3. Determining that FFB's from this area is non certified product. 4. Segregating FFBs from Block 22 which calculated as non-sustainable in the mass balance report started from 21 April 2016. 			
Preventive Action <i>(filled by organization audited):</i> Continuing records of Mass Balance report that has been revised.			
Assessor Evaluation and Conclusion <i>(filled by auditor):</i> Auditor response against evidence sent on 27 March 2017: CH has sent the evidences as follows: <ul style="list-style-type: none"> - Minutes of Area Statement Revision No: / DM –PT – PHP/III/2017 dated 14 March 2017 and valid since 01 March 2017 that explaining of reducing area 20.57 Ha. - Statement Letter from Unit Head of PT PHP-2 (dated 1 February 2017) related Block 22 is not long established managed by PT PHP-2. All the FFB deliveries from this area will not supplied to GMP POM. According to these evidence, there is still lack of information on Mass Balance Report. This NC still OPEN status.			
Auditor response against evidence sent on 11 April 2017: Corrective action sent by the CH following are: <ul style="list-style-type: none"> - Revision on FFB Receiving Procedure (No. Doc: PRO-MIL-001, Rev. 4, dated 1 April 2017). This procedure already explain the mechanism of FFB receiving from Non-Sustainable sources. - Statement Letter from Unit Head of PHP-2 Estate (No 066/DM-PHP/III/2017 dated 31 March 2017) regarding segregation and marking of FFB's non-sustainable on FFB's delivery notes as well as cut-off date for the implementation started on 1 April 2017. 			

- Updating the List of FFB suppliers for GMP POM and informed that Block 22 is non-certified sources.
- Example of Mass balance report for CPO and PK year 2016 that informed the FFBs from Block 22 is Non Certified sources within the FFB receiving material input.

However, there is still lack of evidences to strengthen the statements, i.e.: sample of FFB delivery notes and daily production for FFB receiving started 1 April 2017. This NC are still OPEN.

Auditor response against evidence sent on 17 April 2017:

CH has sent the additional evidence as follows:

- Record of FFB receiving as per Supplier dated 12 and 15 April 2017 that segregating an FFB's from Block 22 PHP-2 was calculated as non-certified product.
- FFB's Delivery Notes on date 12, 15 and 16 April 2017 from Block 22 PHP-2 as Non Sustainable, identification code (stamp) is available on the document.
- Mass Balance report upto 16 April 2017 that information of FFB's from Block 22 has been segregated and claimed as non certified material input.

These evidence are sufficient and accepted. Status: **CLOSED WITH OBSERVATION.**

Verified by : **Yudwi Wisnu Rahmanto**

3.5.3 Opportunity for Improvement







No	Ref Std	Descriptions
1		Overlay of boundary poles, operational and HCV area Map (OBSERVATION)
2	4.1	<ul style="list-style-type: none"> - The quality of production road and main road. - Stabilization of harvesting interval.
3	4.3.4	Cover crop rehabilitation on flood affected replanting area.
4	4.7.3	The progress of Lift Transport SIO renewal
5	4.7.5	Emergency response facilities in hazardous waste storage (OBSERVATION)
6	6.1.3	Mitigation of social impact evaluation (OBSERVATION)
7	6.8.1	Equal treatment in work opportunity for all workers (OBSERVATION)

3.5.4 Noteworthy Positive Components

No	Descriptions
1	The company's commitment to implementing the principles of sustainable management of oil palm.
2	Good team work, PIC competence, and document presentation during the audit.
3	Has been certified ISPO, RSPO, and SCCS
4	Methane capture has built as waste management alternative and green house gas mitigation.

3.6 Summary of Arising Issues from Public and Auditor Verification

Public Issues (Institution/ NGO/Community)	Auditor Verification
<p>Plantation Agency, Pasaman Barat Regency Interview with Production Division</p> <ul style="list-style-type: none"> • Certificate holder Has an asesment of the Plantation class, in 2015 and gain value with class II • Certificate holder has been reporting The plantation business progress report and CSR report • CSR activity are still limited in funding. • The fire equipment is sufficient to area companies. There was no issue regarding fires. • There is no change regarding IUP 	<ul style="list-style-type: none"> • Company can show the certification of plantation class. It is in accordance with criteria 2.1 • Company has CSR implementation document for the year of 2016. It is in accordance with criteria 6.11 • Company
<p>Environmental Agency, Pasaman Barat Regency Interview with licensing and supervision division.</p> <ul style="list-style-type: none"> • RKL RPL and liquid waste report have been reported to the agency. All the parameter are still under the quality standard. There is no issue regarding pollution. • Hazardous waste temporary storage and land application license are still valid. • Storage period of hazardous waste is 90 days. Certificate holder has extended the storage period into 180 days. • Infected waste is not allowed to be kept along with hazardous waste from estate and mill • The license for temporary storage of hazardous waste in PHP 2 is in progress. • Land application is not allowed in peat land. 	<ul style="list-style-type: none"> • Company can show the latest RKL RPL and POME report. It is in accordance with criteria 4.4, 5.1 and 5.3 • Company has Hazardous waste temporary storage. Based on field observation, the hazardous waste storage is in good condition. It is in accordance with indicator 5.3 • Based on field observation, the land application implementation is in mineral land. It is in accordance with indicator 4.4
<p>Manpower and Transmigration Agency, Pasaman Barat Regency. Interview with Supervision Division.</p> <ul style="list-style-type: none"> • 2016 Employment report has been reported • Certificate holder has guiding committee of occupational safety & health board) dan has reporting the report regularly. • Certificate holder has registered all the workers into manpower insurance. • The regulation about minimum wage has been implemented in the company. • Certificate holder ensure that contract worker must wear the PPE during worktime. 	<ul style="list-style-type: none"> • The employment and OHS report has been submitted to the Manpower and Transmigration Agency. It is in accordance with indicator 2.1.1. • Company can show the payment document of manpower and health insurance for all workers. It is in accordance with indicator 4.7.6 • Based on interview with worker and document review, the wage mechanism for contract labor system is under the minimum wage. It is nonconformity no 2017. 11. • Based on field observation, it is known that there are workers that didn't use PPE during work. It is nonconformity no 2017.08

4.0	CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY		
4.1	Formal Sign-off of Assessment Findings		
	<p>Hereunder sign by management representative from inspected company to acknowledge a field assessment and agree for all content explained in this assessment report, included of non-compliance findings.</p> <p style="text-align: center;">Signed on behalf of:</p> <table border="0" style="width: 100%;"><tr><td style="width: 50%; text-align: center;"><p>PT Gersindo Minang Plantation Management Representative</p><p><u>Indra Arman</u> 16 May 2017</p></td><td style="width: 50%; text-align: center;"><p>Mutuagung Lestari Lead Auditor</p><p><u>Yudwi Wisnu Rahmanto</u> 16 May 2017</p></td></tr></table>	<p>PT Gersindo Minang Plantation Management Representative</p>  <p><u>Indra Arman</u> 16 May 2017</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Yudwi Wisnu Rahmanto</u> 16 May 2017</p>
<p>PT Gersindo Minang Plantation Management Representative</p>  <p><u>Indra Arman</u> 16 May 2017</p>	<p>Mutuagung Lestari Lead Auditor</p>  <p><u>Yudwi Wisnu Rahmanto</u> 16 May 2017</p>		

APPENDICES

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	Environmental Agency	Pasaman Barat District. Sumatra Barat Province	-	Interview	23 rd January 2017	✓	
2	Labour Agency	Pasaman Barat District. Sumatra Barat Province	-	Interview	23 rd January 2017	✓	
3	Plantation Agency	Pasaman Barat District. Sumatra Barat Province	-	Interview	23 rd January 2017	✓	
4	National Land Agency , West Pasaman	Pasaman Barat District. Sumatra Barat Province	-	Visit	23 rd January 2017		✓
5	Community Representative Jorong Tanjung Pangkal	Pasaman Barat District. Sumatra Barat Province		Interview	23 rd January 2017	✓	
6	Community Representative Jorong Sikilang	Pasaman Barat District. Sumatra Barat Province		Interview	24 th January 2017	✓	
7	Community Representative Kenagarian Kapa	Pasaman Barat District. Sumatra Barat Province		Interview	25 th January 2017	✓	
8	Community Representative Kenagarian Sasak	Pasaman Barat District. Sumatra Barat Province		Interview	25 th January 2017	✓	
9	Cooperative employee of PT. GMP	Pasaman Barat District. Sumatra Barat Province		Interview	23 rd January 2017	✓	
10	Local contractor PT. GMP	Pasaman Barat District. Sumatra Barat Province		Interview	23 rd January 2017	✓	
11	Gender Committee PT. GMP	Pasaman Barat District. Sumatra Barat Province		Interview	23 rd January 2017	✓	
12	Labor Union PT. GMP PHP	Pasaman Barat District. Sumatra Barat Province		Interview	23 rd January 2017	✓	
13	AMAN	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓
14	Sawit Watch	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓
15	TUK Indonesia	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓
16	Jaringan Kerja Pemetaan Partisipatif	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓
17	Rainforest	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓
18	Responsi Bank Indonesia	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓
19	Forest People Programme	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓
20	Konsorsium Pembaruan Agraria	Pasaman Barat District. Sumatra Barat Province		Email	20 th January 2017		✓

Appendix 2. Assessment Program			
DATE		22 – 28 January 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
Sunday, 22 January 2017			
11.30 – 13.15	11.30 – 13.15	JAKARTA → Padang	YWR / MAY / AFS / IWS / AAS
14.00 – 20.00	14.00 – 20.00	Padang → PT. Gersindo Minang Plantation	
Monday, 23 January 2017			
08.00 – 14.00	08.00 – 14.00	Stakeholders consultation to related agencies in Pasaman Barat Regency	AAS
08.00– 09.30	08.00– 09.30	Opening meeting <ul style="list-style-type: none"> • Auditee Speech (Introduction of PIC, Profile of Certified Management Unit) • Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification) 	YWR / MAY / AFS / IWS
09.30– 12.00	09.30– 12.00	<ul style="list-style-type: none"> • Review of previous (Initial assessment) findings • Verification of Basic Information Mill and Estate • Confirmation of Time Bound Plan 	AFS
09.30 – 16.00	09.30 – 16.00	Stakeholder consultation to affected communities surrounding the plantations.	YWR / MAY / IWS
14.00 – 16.00	14.00 – 16.00	Interview with Gender Committee, Worker's Union, Worker's Cooperative (if any), Local Contractor (for Mill and Estate), Third Party Supplier	AFS
Tuesday, 24 January 2017			
08.00 – 12.00	08.00 – 12.00	Field observation to PT GMP : <ul style="list-style-type: none"> • Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) • Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area) • Implementation of Occupational Health & Safety Aspect • Implementation of Employment Procedure and Mechanism Aspect • Implementation of Legal Aspect (Land Ownership, Legal Boundaries) • Observation of Workers Facilities (Housing, School, Worship Place). 	<ul style="list-style-type: none"> • AFS / AAS • IWS / MAY • IWS / MAY • AFS / AAS • YWR • IWS /MAY
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	Field observation to GMP POM : <ul style="list-style-type: none"> • Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO) 	• YWR / MAY

DATE		22 – 28 January 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
		<ul style="list-style-type: none"> Occupational Health & Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond) 	<ul style="list-style-type: none"> IWS / AFS / AAS
Wednesday, 25 January 2017			
08.00 – 12.00	08.00 – 12.00	Field observation to PT PHP 1 : <ul style="list-style-type: none"> Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Implementation of Legal Aspect (Land Ownership, Legal Boundaries) Observation of Workers Facilities (Housing, School, Worship Place). 	<ul style="list-style-type: none"> AFS / AAS IWS / MAY IWS / MAY AFS / AAS YWR IWS / MAY
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	YWR / MAY / AFS / IWS / AAS
Thursday, 26 January 2016			
08.00 – 12.00	08.00 – 12.00	Field observation to PT PHP 2 : <ul style="list-style-type: none"> Implementation of Agronomy Aspect (Harvesting & Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application) Implementation of Environmental, Conservation and Waste Management Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management, HCV Area) Implementation of Occupational Health & Safety Aspect Implementation of Employment Procedure and Mechanism Aspect Implementation of Legal Aspect (Land Ownership, Legal Boundaries) Observation of Workers Facilities (Housing, School, Worship Place). 	<ul style="list-style-type: none"> AFS / AAS IWS / MAY IWS / MAY AFS / AAS YWR IWS / MAY
12.00 – 14.00	12.00 – 14.00	Break	
14.00 – 17.00	14.00 – 17.00	<ul style="list-style-type: none"> Continue Field Observation and field observation clarification Verification of field visit and completing checklist 	YWR / MAY / AFS / IWS / AAS
Friday, 27 January 2016			
08.00 – 11.30	08.00 – 11.30	Verification of stakeholder consultation result and field visit. Document review and completing audit checklist.	YWR / MAY / AFS / IWS / AAS
11.30 – 14.00	11.30 – 14.00	Break	

DATE		22 – 28 January 2017	
PLANNED TIME	ACTUAL DURATION	PROCESSES / CLAUSES TO BE AUDITED	AUDITOR
14.00 – 16.00	14.00 – 16.00	<ul style="list-style-type: none"> Internal discussion by auditor team preparing for Closing Meeting 	YWR / MAY / AFS / IWS / AAS
16.00 – 17.00	16.00 – 17.00	Closing Meeting: <ul style="list-style-type: none"> Presentation of audit findings (Noteworthy Positive Component, Non Conformities, OFI, Timelie of CAR's, Conclusion)/ Comments, Responses and Questions 	
18.00 – 21.00	18.00 – 21.00	PT. Gersindo Minang Plantation → Padang	YWR / MAY / AFS / IWS / AAS
Saturday, 28 January 2017			
10.30 -	10.30 -	<ul style="list-style-type: none"> Padang– Jakarta 	YWR / MAY / AFS / IWS / AAS