

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

**[ ] Stage-1    [ ] Stage-2    [✓] Surveillance    [ ] Re-Certification**

**Name of Management Organisation :** UNGKAYA Palm Oil Mill, PT TAMACO GRAHA KRIDA  
Subsidiary of SIME DARBY PLANTATION Sdn. Bhd.

**Plantation Name :** UNGKAYA Estate and UNGKAYA Scheme Smallholders

**Location :** Village of Ungkaya, Sub District of Wita Ponda, District of Morowali,  
Province of Sulawesi Tengah, INDONESIA

**Certificate Code :** MUTU-RSPO/018

**Date of Certificate Issue :** 10 July 2012      **Date of License Issue :** 10 July 2014  
**Date of Certificate Expiry :** 09 July 2017      **Date of License Expiry :** 09 July 2015

Assessment	Assessment Date	PT. Mutuagung Lestari Auditor	Reviewed by	Approved by
ASA-3	5 – 9 May 2015	Yudwi Wisnu Rahmanto (Lead Auditor), Moh. Arif Yusni, Dwi Haryati, Doni	Octo HPN Nainggolan	Tony Arifiarachman

Assessment	Approved by MUTUAGUNG LESTARI on:
ASA-3	14 July 2015

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**FIGURE**

**Figure 1. Location Map of PT TAMACO GRAHA KRIDA**

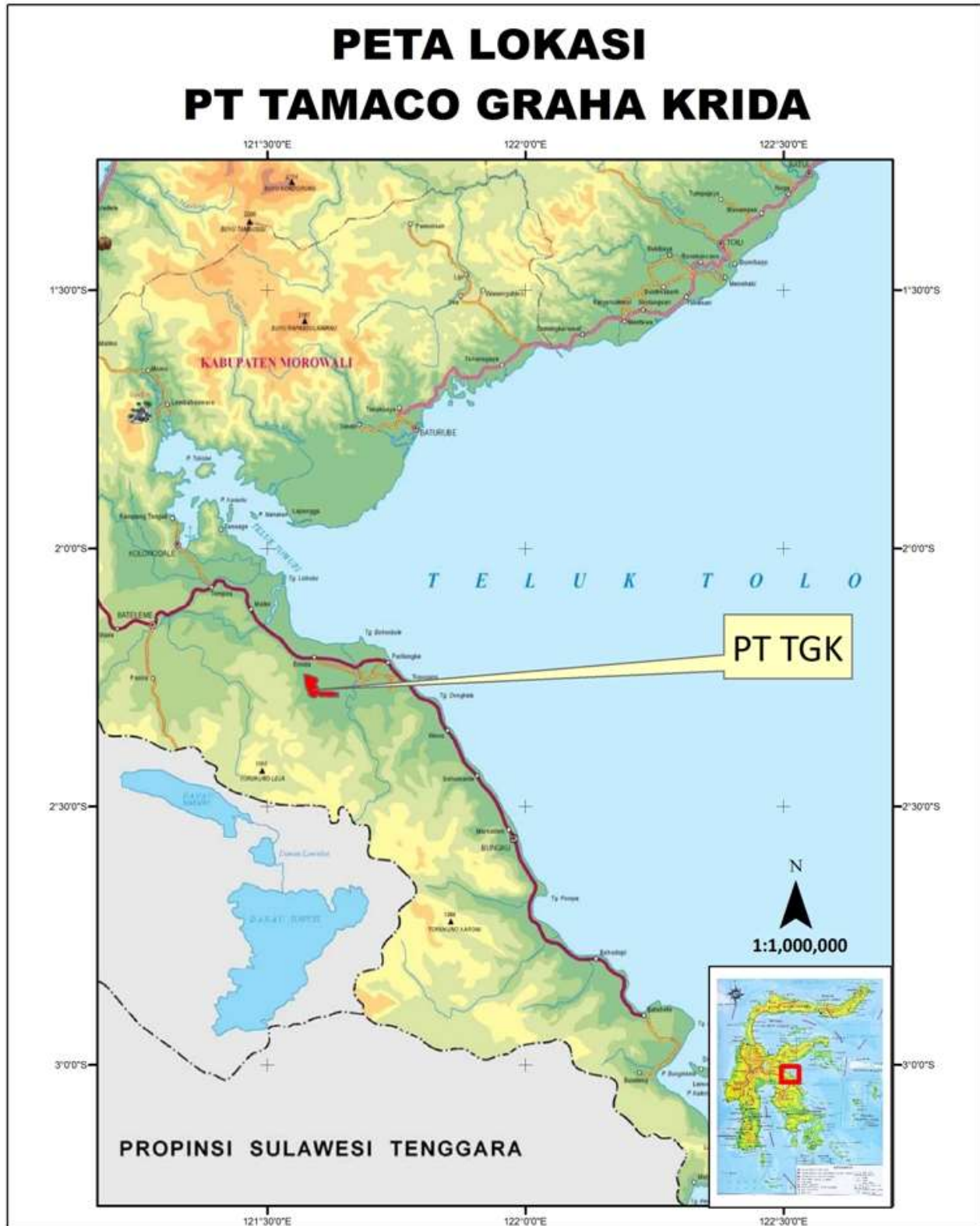


Figure 2. Operational Map of PT TAMACO GRAHA KRIDA – UNGKAYA ESTATE

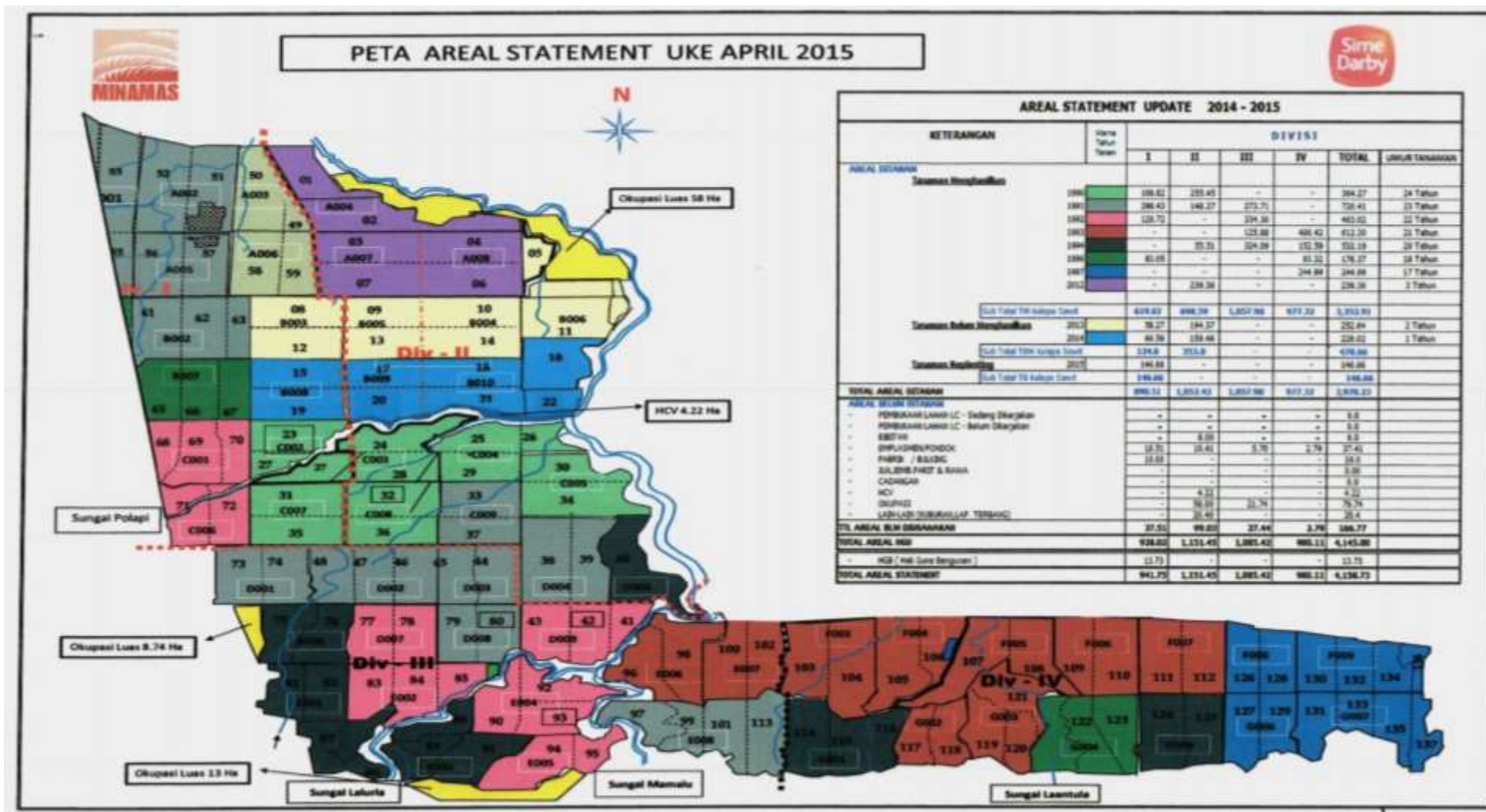
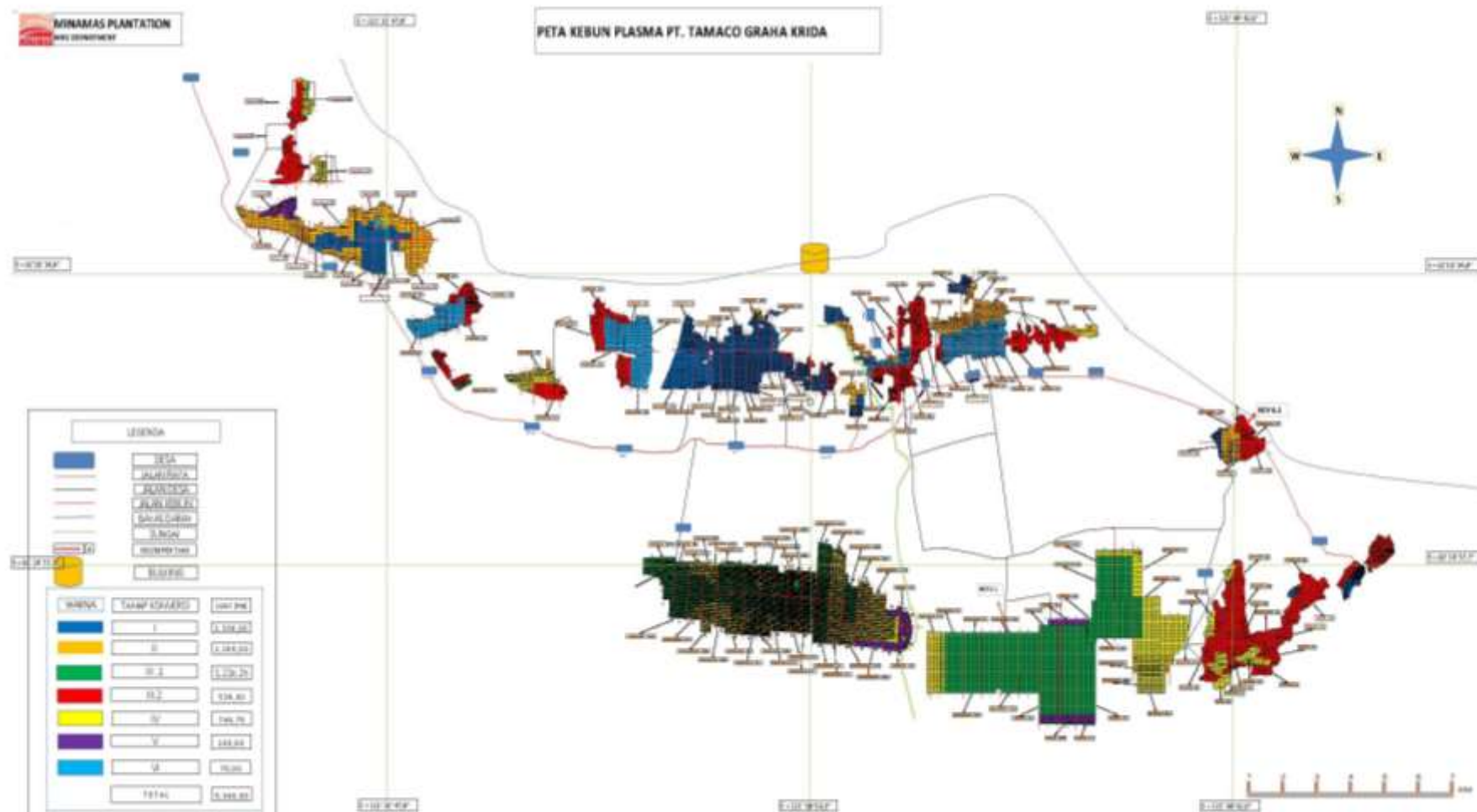




Figure 3. Operational Map of PT TAMACO GRAHA KRIDA – UNGKAYA SMALLHOLDERS



**Glossary**

ANDAL	:	Environmental Impact Assessment / <i>Analisis mengenai dampak lingkungan</i>
BOD	:	Biological oxygen demand
CD	:	Community development
CPO	:	Crude palm oil
FFB	:	Fresh Fruit Bunches
HCV	:	High conservation value
HGU	:	Land Use Title/Rights / <i>Hak Guna Usaha</i>
OHS	:	Occupational Health and Safety
MSDS	:	Material safety data sheet
NA	:	Not applicable
PSD	:	Plantation Services departement
PSQM	:	Plantation Sustainable Quality Management
POM	:	Palm Oil Mill
POME	:	Palm Oil Mill Effluent
P2K3	:	OSH Organisation / <i>Panitia pembina kesehatan dan keselamatan kerja</i>
SKU	:	Working Unit / <i>Satuan kerja unit</i>
TGK	:	Tamaco Graha Krida
UKE	:	Ungkaya Estate
UKF	:	Ungkaya Factory

1.0	SCOPE OF THE CERTIFICATION ASSESSMENT		
1.1	Assessment Standard Used	<ul style="list-style-type: none"><li>• <i>Generic RSPO Principles and Criteria (P&amp;C) for for the Production of Sustainable Palm Oil - April 25<sup>th</sup>, 2013.</i></li><li>• <i>National Interpretation of the Republic of Indonesia from RSPO Principles and Criteria for Scheme Smallholders (October 2009).</i></li><li>• <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></li></ul>	
1.2	Organisation Information		
1.2.1	Organisation name listed in the certificate	PT TAMACO GRAHA KRIDA - Sime Darby Plantation Sdn. Bhd	
1.2.2	Contact person	Men Kon Tang	
1.2.3	Organisation address and site address	Head Office : No 2, Plantation Tower Jalan PJU 1A/7 Petaling Jaya,Malaysia 47301  Liaison Office of Sime Darby Indonesia (Minamas Gemilang): The Plaza Office Tower, 36th Floor, Jl. M. H. Thamrin Kav. 28-30, Jakarta 10350	
1.2.4	Telephone	+6221 – 29926000	
1.2.5	Fax	+6221 – 29922686	
1.2.6	E-mail	<a href="mailto:mohamad.pirabaharan@sime-darby.com">mohamad.pirabaharan@sime-darby.com</a>	
1.2.7	Web page address	<a href="http://www.sime-darbyplantation.com">www.sime-darbyplantation.com</a>	
1.2.8	Management Representative who completed the application for certification	Mohamad Pirabaharan	
1.2.9	Registered as RSPO member	1-0008-04-000-00, dated 8 <sup>th</sup> September 2004	
1.3	Type of Assessment		
1.3.1	Scope of Assessment and Number of Management Unit	1 Unit of Ungkaya POM, 1 Unit of Ungkaya Estate, 1 Unit of Ungkaya Smallholder Scheme (171 Smallholder's group)	
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
			LatitudeLongitude
	UNGKAYA	Village of Ungkaya, Sub District of Wita Ponda, District of Morowali, Province of Sulawesi Tengah	S 02° 13' 22"E 121° 33' 49"
1.4.2	Location of Certification Scope of Supply Base		

	Name of Supply Base	Location	Coordinate	
			Latitude	Longitude
	Ungkaya Estate	Village of Ungkaya, Sub District of Wita Ponda, District of Morowali, Province of Sulawesi Tengah	S 02° 12' 40" - 02° 17' 27"	E 121° 33' 12" - 121° 39' 44"
	Ungkaya Plasma / Smallholders	Sub District of Bungku Barat, Sub District of Bumi Raya, Sub District of Wita Ponda (District of Morowali). Sub District of Petasia Timur (District of Morowali Utara), Province of Sulawesi Tengah	S 02° 09' 35" - 02° 16' 58"	E 121° 28' 48" - 121° 46' 43"
<b>1.5 Description of Area Statement</b>				
1.5.1	Tenure			
	• State		4,145 Ha	
	• Community		5,369 Ha	
1.5.2	<b>Area Statement</b>	<b>UNGKAYA ESTATE (Ha)</b>	<b>UNGKAYA PLASMA (Ha)</b>	<b>TOTAL (Ha)</b>
	• Total area	4,145.00	5,369.00	9,514.00
	• Mature area	3,352.91	5,369.00	8,721.91
	• Immature area	625.32	-	625.32
	• Mill	19.00	-	19.00
	• Nursery	6.00	-	6.00
	• Building / Office / Workers Quarter	37.41	-	37.41
	• Land Occupation (if any)	79.74	-	79.74
	• HCV / Conservation	4.22	-	4.22
	• Others area (Grave, Runaway Airplane)	20.40	-	20.40
<b>1.6 Planting Year and Cycles</b>				
1.6.1	Age profile of planting year			
	Planting Year	Hectarage (Ha)		
		UNGKAYA ESTATE (Ha)	UNGKAYA PLASMA (Ha)	Total
	1990	364.27	1,429	1,793.27
	1991	720.41	1,153	1,873.41
	1992	463.02	1,345	1,808.02
	1993	612.30	-	612.30
	1994	532.19	945	1,477.19
	1996	176.37	223	399.37
	1997	244.99	274	518.99
	2012*	239.36	-	239.36
	2013*	252.64	-	252.64
	2014*	226.02	-	226.02



	2015*	146.66	-	146.66																													
	TOTAL	3,978.23	5,369	9,347.23																													
1.6.2	New Planting area after January 2010	Ha																															
1.6.3	Planting Cycle	2 <sup>nd</sup> 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)	<table><tr><th colspan="2">CPO</th><th colspan="2">Palm Kernel</th></tr><tr><th>Out put (ton)</th><th>Extraction (%)</th><th>Out put (ton)</th><th>Extraction (%)</th></tr><tr><td>UNGKAYA</td><td>40</td><td>156,689.30</td><td>35,214.99</td><td>22.47</td><td>7,795.29</td><td>4.97</td></tr></table>	CPO		Palm Kernel		Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)	UNGKAYA	40	156,689.30	35,214.99	22.47	7,795.29	4.97														
CPO		Palm Kernel																															
Out put (ton)	Extraction (%)	Out put (ton)	Extraction (%)																														
UNGKAYA	40	156,689.30	35,214.99	22.47	7,795.29	4.97																											
	*Sumber data produksi Mei 2014 – April 2015																																
1.7.2	Description of Certification Scope of Supply Base																																
	Name of Estate	Total Area (Ha)	Planted Area (Ha)	<table><tr><th>FFB (tonnes/year)</th><th>Yield (tonnes/ha/year )</th><th colspan="2">Supplied to Mill</th></tr><tr><th></th><th></th><th>FFB (tonnes/year)</th><th>%</th></tr><tr><td>UNGKAYA ESTATE</td><td>4,145</td><td>3,978.23</td><td>50,112.81</td><td>12.59</td><td>50,112.81</td><td>100</td></tr><tr><td>UNGKAYA PLASMA (171 Farmers Group, 5,005 farmers / smallholders)</td><td>5,369</td><td>5,369</td><td>106,682.87</td><td>19,87</td><td>106,682.87</td><td>100</td></tr><tr><td>TOTAL</td><td>9,514</td><td>9,347.23</td><td>156,795.68</td><td>16.77</td><td>156,795.68</td><td>100</td></tr></table>	FFB (tonnes/year)	Yield (tonnes/ha/year )	Supplied to Mill				FFB (tonnes/year)	%	UNGKAYA ESTATE	4,145	3,978.23	50,112.81	12.59	50,112.81	100	UNGKAYA PLASMA (171 Farmers Group, 5,005 farmers / smallholders)	5,369	5,369	106,682.87	19,87	106,682.87	100	TOTAL	9,514	9,347.23	156,795.68	16.77	156,795.68	100
FFB (tonnes/year)	Yield (tonnes/ha/year )	Supplied to Mill																															
		FFB (tonnes/year)	%																														
UNGKAYA ESTATE	4,145	3,978.23	50,112.81	12.59	50,112.81	100																											
UNGKAYA PLASMA (171 Farmers Group, 5,005 farmers / smallholders)	5,369	5,369	106,682.87	19,87	106,682.87	100																											
TOTAL	9,514	9,347.23	156,795.68	16.77	156,795.68	100																											
	*Sumber data produksi Mei 2014 – April 2015																																
1.7.3	FFB description from other source																																
	Name of sources	Organisation	Location	<table><tr><th colspan="2">Supplied to Mill</th></tr><tr><th>FFB (tonnes/year)</th><th></th></tr><tr><td>Morokarta</td><td>(Supplier)</td><td>District of Morowali, Province of Sulawesi Tengah</td><td>1,569.85</td></tr><tr><td>PT Kirana Sinar Gemilang</td><td>Outgrower Company</td><td>District of Morowali, Province of Sulawesi Tengah</td><td>193.56</td></tr><tr><td>PT Timurjaya Indomakmur</td><td>Outgrower Company</td><td>District of Morowali Utara, Province of Sulawesi Tengah</td><td>164.60</td></tr><tr><td colspan="3">TOTAL</td><td>1,928.01</td></tr></table>	Supplied to Mill		FFB (tonnes/year)		Morokarta	(Supplier)	District of Morowali, Province of Sulawesi Tengah	1,569.85	PT Kirana Sinar Gemilang	Outgrower Company	District of Morowali, Province of Sulawesi Tengah	193.56	PT Timurjaya Indomakmur	Outgrower Company	District of Morowali Utara, Province of Sulawesi Tengah	164.60	TOTAL			1,928.01									
Supplied to Mill																																	
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Morokarta	(Supplier)	District of Morowali, Province of Sulawesi Tengah	1,569.85																														
PT Kirana Sinar Gemilang	Outgrower Company	District of Morowali, Province of Sulawesi Tengah	193.56																														
PT Timurjaya Indomakmur	Outgrower Company	District of Morowali Utara, Province of Sulawesi Tengah	164.60																														
TOTAL			1,928.01																														
	*Sumber data produksi Mei 2014 – April 2015																																
1.7.4	Jenis Produk	FFB, CPO, PK																															
1.8 Estimate Tonnage of Certified Product																																	
1.8.1	Past Annual Claim Certified Product	Previous Certificate Claim 10 July 2014 to 9 July 2015 (tonnes/year)	Actual certified product 10 July 2014 to 4 May 2015 (tonnes/year)																														
	• FFB Production	69,260.17	37,204.54																														
	• CPO Production	16,276.14	8,273.74																														
	• Palm Kernel (PK) Production	3,435.30	1,833.20																														
1.8.2	Estimate of Certified FFB Claim																																

	<b>Name of Estates</b>	<b>Total Area (Ha)</b>	<b>Planted Area (Ha)</b>	<b>FFB (tonnes/year)</b>	<b>Yield (tonnes/ha/year)</b>		
	UNGKAYA ESTATE	4,145	3,978.23	51,616	12.97		
	UNGKAYA PLASMA (5,005 smallholders)	5,369	5,369	109,884	20.47		
	<b>TOTAL</b>	<b>9,514</b>	<b>9,347.23</b>	<b>161,500</b>	<b>17.28</b>		
	<i>Periode 10 Juli 2015 – 09 Juli 2016</i>						
1.8.3	Estimate of Certified Palm Product Claim						
	<b>Name of Mill</b>	<b>Capacity (tonnes/ hour)</b>	<b>FFB Processed (tonnes/year)</b>	<b>CPO</b>	<b>Palm Kernel</b>		
				<b>Out put (ton)</b>	<b>Extraction (%)</b>	<b>Out put (ton)</b>	<b>Extraction (%)</b>
	UNGKAYA	40	161,500	36,337	22.5	8,075	5.0
	<i>Periode 10 Juli 2015 – 09 Juli 2016</i>						
1.9	<b>Other Certifications</b>						
	ISO 9001:2008			-			
	ISO 14001: 2004			-			
	OHSAS 18001:2007			-			
	ISCC			-			
	Others			ISPO			
1.10	<b>Time Bound Plan</b>						
1.10.1	<b>Time Bound Plan for Other Management Units</b>						
	<b>MANAGEMENT UNIT</b>		<b>Estate (Supply Base)</b>	<b>Status</b>	<b>Location</b>		
	<b>P O M</b>	<b>Time Bound</b>					
	Sekunyir. PT. Indotruba Tengah	Certified 2010	Sekunyir	Certified 2010	Seruyan and West Kotawaringin District – Central Kalimantan		
			Seruyan	Certified 2010			
	Manggala. PT. Tunggal Mitra Plantations	Certified 2010	Manggala 1	Certified 2010	Rokan Hilir District – Riau		
			Manggala 2	Certified 2010			
			Manggala 3	Certified 2010			
	PT. Sime Indo Agro	Certified 2010	PT. Sime Indo Agro	Certified 2010	Sanggau District –West Kalimantan		
	Teluk Siak. PT Aneka Inti Persada	Certified 2011	Teluk Siak	Certified 2011	Pekanbaru, Siak District – Riau		
			Pinang Sebatang	Certified 2011			
			Aneka Persada	Certified 2011			
	Sungai Pinang. PT. Bina Sains Cemerlang	Certified 2012	Sungai Pinang	Certified 2012	Musi Rawas District – South Sumatera		
			Bukit Pinang	Certified 2012			
	Sukamandang. PT. Kridatama Lancar	Certified 2011	Sukamandang	Certified 2011	Seruyan and East Kotawaringin District – Central Kalimantan		
			Sapiri	Certified 2011			
			Baras Danum	Certified 2011			
			Kuala Kuayan	Certified 2011			
	Pemantang.	Certified 2011	Pemantang	Certified 2011	Seruyan and East Kotawaringin		

PT. Teguh Sempurna		Kawan Batu	Certified 2011	District – Central Kalimantan
		Hatan Tiring	Certified 2011	
		Batang Garing	Certified 2011	
Alur Dumai. PT Lahan Tani Sakti	Certified 2011	Alur Dumai	Certified 2011	Rokan Hilir District – Riau
Teluk Bakau. PT. Bhumireksa Nusa Sejati	Certified 2011	Teluk Bakau	Certified 2011	Indra Giri Hilir District – Riau
		Nusa Perkasa	Certified 2011	
		Nusa Lestari	Certified 2011	
Mandah. PT. Bhumireksa Nusa Sejati	Certified 2014	Mandah	Certified 2011	Indra Giri Hilir District – Riau
		Rotan Semelur	Certified 2011	
Angsana Mini. PT Sajang Heulang	Certified 2011	KKPA-1 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		Pantai Bonati	Certified 2011	
Angsana. PT Ladangrumpun Suburabadi	Certified 2011	Angsana	Certified 2011	Tanah Bumbu District – South Kalimantan
		Gunung Sari	Certified 2011	
		KKPA-4 PT.SHE	Certified 2013	
Mustika. PT Sajang Heulang	Certified 2013	KKPA-2 PT.SHE	Certified 2013	Tanah Bumbu District – South Kalimantan
		KKPA-3 PT.SHE	Certified 2013	
		KKPA-5 PT.SHE	Certified 2013	
Gunung Aru. PT Bersama Sejahtera Sakti	Certified 2011	Gunung Aru	Certified 2011	Kotabaru District – South Kalimantan
		Gunung Kemasari	Certified 2011	
		Laut Timur	Certified 2011	
		Pantai Timur	Certified 2011	
Bebunga. PT. Langgeng Muaramakmur	Certified 2011	Sungai Cengal	Certified 2011	Kotabaru District – South Kalimantan
		Bebunga	Certified 2011	
		KKPA Sungai Cengal	Certified 2015	
Pondok Labu. PT Paripurna Swakarsa	Certified 2012	Binturung	Certified 2012	Kotabaru District – South Kalimantan
		Pondok Labu	Certified 2012	
		Rampa	Certified 2012	
		Sesulung	Certified 2012	
Selabak. PT Swadaya Andhika	Certified 2012	Selabak	Certified 2012	Kotabaru District – South Kalimantan
		Randi	Certified 2012	
		Sangkoh	Certified 2012	
		Lanting	Certified 2012	
Rantau. PT Laguna Mandiri	Certified 2012	Rantau	Certified 2012	Kotabaru District – South Kalimantan
		Matalok	Certified 2012	
Betung. PT Laguna Mandiri	Certified 2014	Betung	Certified 2012	Kotabaru District – South Kalimantan
		Sekayu	Certified 2012	
Ungkaya. PT Tamaco Graha Krida	Certified 2012	Ungkaya	Certified 2012	Morowali District – Sulawesi Tengah
	2015	Plasma TGK	Audited 2015	
Ladang Panjang. PT Bahari Gembira Ria	Certified 2012	Ladang Panjang	Certified 2012	Muaro Jambi District - Jambi
		Plasma BGR	2015	
Rantau Panjang.	Certified 2012	Rantau Panjang	Certified 2012	Musi Banyuasin District – South

PT Pecconina Indonesia	Guthrie		Bumi Ayu	Certified 2012	Sumatera
			Karang Ringin	Certified 2012	
			Napal	Certified 2012	
			Mangun Jaya	Certified 2012	
		2015	KKPA Sungai Pinang	2015	
Blang Simpo. PT Perkasa Subur Sakti	Certified 2013		Tamiang (PT PPP)	Certified 2013	Aceh Tamiang and East Aceh District – Nanggroe Aceh Darussalam
			Batang Ara ((PT PSK))	Certified 2013	
			Blang Simpo-01 (PT PPP)	Certified 2013	
			Blang Simpo-02 (PT PPP)	Certified 2013	
MAS. PT Mitra Austral Sejahtera	2020		MAS 1	2020	Sanggau District – West Kalimantan
			MAS 1	2020	
			MAS 1	2020	
Lembiru. PT Sandika Nata Palma	Certified 2014		Lembiru	Certified 2014	Ketapang District – West Kalimantan
			Awatan	Certified 2014	
	New Development		Karya Palma	2016	
PT. Budidaya Agro Lestari	2018		Pelanjau	2018	Ketapang District – West Kalimantan
Bebunga. PT. Langgeng Muaramakmur	Certified 2011		Sungai Cengal	Certified 2011	Kotabaru District – South Kalimantan
			Bebunga	Certified 2011	
			KKPA Sungai Cengal	Certified 2015	
Pondok Labu. PT Paripurna Swakarsa	Certified 2012		Binturung	Certified 2012	Kotabaru District – South Kalimantan
			Pondok Labu	Certified 2012	
			Rampa	Certified 2012	
			Sesulung	Certified 2012	
Selabak. PT Swadaya Andhika	Certified 2012		Selabak	Certified 2012	Kotabaru District – South Kalimantan
			Randi	Certified 2012	
			Sangkoh	Certified 2012	
			Lanting	Certified 2012	
Rantau. PT Laguna Mandiri	Certified 2012		Rantau	Certified 2012	Kotabaru District – South Kalimantan
			Matalok	Certified 2012	
Betung. PT Laguna Mandiri	Certified 2014		Betung	Certified 2012	Kotabaru District – South Kalimantan
<p>Sime Darby has been certified for its 39 POM's management units in Malaysia and 21 POM's management units in Indonesia. There is a change in time bound plan causing the postponement of company's certification process with the explanation as below:</p> <p>PT Mitra Austral Sejahtera, there is social issue that has been resolved in PT Mitra Austral Sejahtera between the company and Palm Oil Farmer Union. However, the continuous improvement is on process.</p> <p>PT Budidaya Agro Lestari is waiting the Government's decision on Province Spatial Planning of Kalimantan Barat Province. TBP for Karya Palma Estate is planned in 2016.</p>					

<b>1.10.2</b>	<b>Progress of Associated Smallholders and Outgrowers for Certifiable Standard</b>
	Ungkaya Plasma / Smallholders has been inserted in RSPO certification program and has been audited during Annual Surveillance Assessment of Ungkaya POM.



<b>2.0 ASSESSMENT PROCESS</b>	
<b>2.1 Assessment Team</b>	
<b>ASA-3</b>	<p>1). <b>Yudwi Wisnu Rahmanto (Lead Auditor)</b> Bachelor Degree of Forestry with Silviculture background, University of Gadjah Mada. 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 this audit, he assigned to verify of Legal, Conservation and Supply Chain aspect.</p> <p>2). <b>Moh. Arif Yusni (Auditor)</b> A 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 this audit, he assigned to verify of Best Agriculture and Mill Practices.</p> <p>3). <b>Doni (Auditor)</b>. Master's Program In Sociology Rural. Have been following the certification of Sustainable Production forest management (PHPL) Ecolabel of Indonesia (LEI) in 2008 and Training Up-Grading at the Pusdiklat PHPL Forestry Bogor in 2010. Since 2003 has been a several times to audit certification of PHPL, among others: PT Bintuni Straits Bay Main Agro Mina Prop. West Papua in 2010 PT. ITCIKU Prop. In 2009, Kaltim Cooperative Meranti Grow Beautiful Prop. In 2008, PT Kaltim Memberamo Indan Agro Mandiri in 2008, PT Arara Abadi Prop. Riau in 2005, PT INHUTANI III (Nanga Pinoh) Kaltim, 2003. Since 2005-present work free lance in BAPPENAS, Ministry of Regional development is lagging behind (KPDT) and Ministry Director General Cipta Karya PU as an evaluation team. 2006-2007 working in JICA-UN-HABITAT and UNDP. On Surveillance-1, he conducted an assessment on the employment and social aspects.</p> <p>4). <b>Dwi Haryati (Trainee Auditor)</b>. Bachelor Degree of Agriculture with Agronomy background, University of Jenderal Soedirman. Having experience at Oil Palm Plantation in West Kalimantan as sustainability officer. Selected training which has been followed such as OSH Expert, ISPO Auditor Training Course and Auditor/Lead Auditor Course Management System ISO 9001-2008. During this audit, she assigned to verify of Transparency, Waste Management and OSH aspect.</p>
<b>2.2 Assessment Methodology, Assessment Process and Locations of Assessment</b>	
<b>2.2.1</b>	<b>Figure of person days to implement assessment</b>
<b>ASA-3</b>	<p>Number of auditors: 4 auditors</p> <p>Number of days for <b>ASA-3</b> at site : 5 days</p> <p>Number of working days for <b>ASA-3</b> at site : 20 working days</p>
<b>2.2.2</b>	<b>Assessment Process</b>
<b>ASA-3</b>	<p>The assessment was conducted by measuring the sufficiency of implementation with the consistency done by the PT Tamaco Graha Krida to the requirements of Generic RSPO Principles and Criteria for Sustainable Palm Oil Production (April 2013) dan Scheme Smallholders National Interpretation Indonesia (INA-SWG, October 2009) and Supply Chain Requirement for CPO Mill, November 2014.</p> <p>The assessment was conducted in three methods: (1) document review, aiming to observe the sufficiency of types or substances from required documents; (2) interview, aiming to obtain more detailed information and cross check the information; and (3) field observation, aiming to observe directly the sufficiency of implementation on site.</p> <p>Some opportunities for improvement of the results <b>ASA-3</b> delivered by the MUTU auditor to the management unit and</p>

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-4**.

The assessment program please find Appendix 2

<b>2.2.3</b>	<b>Location of Assessment</b>
<b>ASA-3</b>	<p>Auditors assess 1 estate and 1 mill. The complete information of the visitation:</p> <p><b>Ungkaya Mill</b></p> <p>Location 1. Ungkaya Mill. Observation on the OHSMS implementation and hazardous waste management. Production activity and supply chain.</p> <p>Location 2. Monitoring well 2, barn owl box and erosion monitoring pole in block 63.</p> <p>Location 3. Hazardous waste storage. Observation in term of the hazardous waste management on the storage.</p> <p>Location 4. Ungkaya POM WWTP. Observing the WWTP facilities.</p> <p><b>Ungkaya Estate</b></p> <p>Location 1. Land Use Title Boundary poles in block 113 and 114 of division 3 &amp; division 4: Observation on the PT TGK boundary poles for 134 Ha.</p> <p>Location 2. Estate Polyclinic: Observation on the medical service for workers and the management of medical waste.</p> <p>Location 3. Workshop: observation and interview with the workers of workshop, the workers use standard PPE. They have aware of the risks and dangers. The welding expert has been trained and has achieved certificate as well as the regular medical check up.</p> <p>Location 4. Fertilizer Storage of division 1: observation in term of the fertilizer management and interview with the Head of storage in term of the use of PPE, MSDS and OHS aspect on the fertilizer use circle.</p> <p>Location 5. Agrochemical Storage: observation on the placement of pesticide and chemicals used to support the estate operationals.</p> <p>Location 6. Harvesting program in Block E24; Observation on the harvesting program. According to the result of observation, the harvesting program has been conducted based on the applied SOP. The harvesters ave aware of the procedure of OHS, harvesting basic, and the waging system.</p> <p>Location 7. Chemist program in Block E31-32. Observation and interview in term of the herbicide application. According to the observation, the sprayers have used proper PPE like helmet, masker, apron, gloves and boots. The sprayers have aware of the must-exterminated weed. There is no pregnant nor breastfeeding women workers doing herbicide application. The workers have achieved proper wage (based on the minimum wage standard) as well as regular medical check up.</p> <p>Location 8. EFB application (Block D011-D012). Observation on the solid waste utilization in form of the EFB in estate. According to the result of observation, the EFB application is quite effective to reduce the POM solid waste as well as reducing the use of fertilizer in estate. The company has implemented EFB application system based on the applied procedure with dosage of 250 kg/plant.</p> <p>Location 9. Manuring in block. Observation of NK Blend manuring untill late October to achieve 100% manuring target. The dosage of NK Blend fertilizer is referring the research team recommendation. The manurer has implemented OHS principle. All the workers have worn PPE, apron and masker to avoid the direct fertilizer contamination. There is no pregnant nor breastfeeding women workers.</p> <p>Location 10. Polapi River in Block 71 of Division 3: the riparian area is marked with yellow paint (50 meter off the river) and no replanting program conducted in riparian area. The enrichment of Palopi Riparian with mahogany and gaharu has been conducted.</p> <p>Location 11. Laluria River in block 43 of Division 3: there are still trees and signboards.</p>

- Location 12. Replanting Area. Observation on the replanting program. According to the result of field visit, the company does not burn on waste and reckless waste disposal.
- Location 13. Workshop of Ungkaya Estate: observation on the hazardous waste storage.
- Location 14. Settlement for employees of division 1: observation and interview with the workers in settlement in term of the facilities in G2 settlement, place of worship, clean water, electricity, sanitation and waste management.
- Location 15. The Head of Ungkaya Estate Gender Committee: interview with the Head of Gender Committee for regime period of 2013 -2015 in term of the socialization of sexual harassment prevention, complaint delivery, response of the company, minimum age requirements and salary.
- Location 16. Interview with the sprayers in division 2 and division 3 in term of the medical check up, salary and PPE.
- Location 17. Interview with the Head of labour union in term of the contract for service, minimum wage standard, procedure of complaint delivery, rights and obligations of employees and company.

### Ungkaya Scheme Smallholder

- Location 18. Interview with the Makarti Sejahtera Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 19. Interview with the Bumi Persada Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 20. Interview with the Bintang Timur Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 21. Interview with the Bukit Makarti Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 22. Interview with the Lambelu II Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 23. Interview with the Lambelu III Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 24. Interview with the Limbo Makmur I Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 25. Interview with the Karya Subur Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 26. Interview with the Podi Jaya Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.
- Location 27. Interview with the Monsombu Jaya Smallholder Group in term of the ownership of scheme smallholder and field visit to each smallholder group in term of the scheme smallholder management of PPE, OHS and estate operationals.

### Associated Agencies

- Location 28. Forestry and Plantation Agency of Morowali District, Central Sulawesi Province.

Location 29. Manpower Agency of Morowali District, Central Sulawesi Province.  
 Location 30. National Land Agency of Morowali District, Central Sulawesi Province.  
 Location 31. Environment Agency of Morowali District, Central Sulawesi Province.

**2.3 Stakeholder Consultation and Stakeholders Contacted**
**2.3.1 Summary of stakeholder consultation process.**

**ASA-3** Summary of stakeholder consultation process  
 Consultation of stakeholders for PT TAMACO GRAHA KRIDA was held by:  
 Public Notification 30 days prior to assessment (<http://www.mutucertification.com/id/pengumuman-publik-notifikasi-untuk-kegiatan-penilaian-pemantauan-tahunan-surveillance-3-rspo-di-pks-ungkayan-pt-tamaco-graha-krida-sime-darby-plantation-sdn.-bhd>)  
 Public consultation meeting with internal stakeholders by interviews and local stakeholders conducted by visits to villages and interviews with local peoples on Tuesday, 5 May 2015.  
 Numbers of input from stakeholders were clarified by PT TAMACO GRAHA KRIDA

**2.3.2 Stakeholder contacted**

*Please find appendix 1*

**2.4 Determining Next Assessment**

The next visit (**ASA-4**) will be determined at least between April to June 2016.

### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of Assessment Report of the RSPO Certification

MUTUAGUNG LESTARI has conducted an assessment of Ungkaya POM – PT Tamaco Graha Krida, Sime Darby operation consisting of one (1) mill, one (1) oil palm estate and one (1) oil palm smallholder scheme consist of 171 smallholder's groups with 5,005 smallholders.

During the assessment, there were one (1) nonconformity assigned against major compliance indicator and five (5) opportunities for improvement were identified for Ungkaya Estate. Meanwhile, there were four (4) nonconformities were assigned against major compliance indicator, three (3) nonconformities were assigned against minor compliance indicators; and eleven (11) opportunities for improvement for Ungkaya Smallholders 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 prepared and implemented the corrective actions that had been reviewed and accepted by Auditors in form of documentation evidence(s) e.g. (document record/photographic/etc.). Those corrective actions taken consist of one (1) major nonconformity for Ungkaya Estate and four (4) major nonconformities had been closed out shall be verified during next assessment.

MUTUAGUNG LESTARI found that Ungkaya POM – PT Tamaco Graha Krida, Sime Darby complied with the requirements of Generic RSPO Principles and Criteria for Sustainable Palm Oil Production (April 2013) dan Scheme Smallholders National Interpretation Indonesia (INA-SWG, October 2009) and Supply Chain Requirement for CPO Mill, November 2014.

Therefore MUTUAGUNG LESTARI Recommends RSPO Certification of compliance is **continued**

**Table 1. Summary Assessment of RSPO Generic P&C 2013 for UNGKAYA ESTATE**

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.		
The management unit provide relevant informations that have to do with issues like environment, social and or legal over the RSPO criteria to the stakeholders. For example: The information response over the RSPO socialization and fire control training. It was held on March 4th 2014. It was taught by the Assistant to the employees and supervision for 123 employees of Ungkaya Estate. The taught materials were : <ul style="list-style-type: none"><li>✓ Description of RSPO</li><li>✓ Fire team including the simulation of fire control by using fire extinguishing equipments.</li><li>✓ Socialization of OHS, the use of PPE.</li></ul> Photographs of the event and the attendance list are attached. The document is composed by the division Assistant and witnessed by the Estate Manager.  The archieve of the report of information request as well as its responses are well recorded by the HRD division as the		



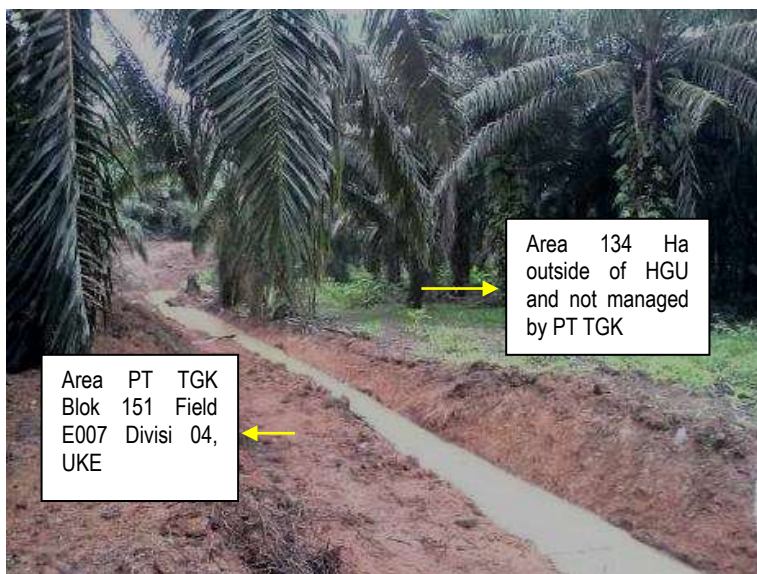
<p>PIC of the log book of the incoming and outgoing letters.</p> <ul style="list-style-type: none"> <li>Estate <p>There are 16 incoming letters during the period of 2015. For example, the letter sent by the Chief of EMEA No. 188.5/044/EM.WP/II/2015 dated January 20th 2015. It was received on February 17th 2015 in term of the information letter. It was then responded in letter No. 45/UKE/III/2015 on March 9th 2015 in term of the concern PT TGK over the smallholder as partner.</p> </li> <li>Mil <p>The only incoming letters during period of 2015 are the request letter for vehicle provision. It was sent by the Education Agency. Meanwhile, there is an outgoing letter during period of 2015. For example, letter No. 220/UKE/EFI/V/15 dated April 2015 to BPJS Palu. It was an information request letter in term of the list of the employees who resign.</p> </li> </ul>		
	<b>Status: COMPLY</b>	
<b>1.2</b> <b>Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</b>		
<p>There is no change on the list of the publicly accessed documents as written on SOP No. RSPO/B.4.7/ TGK Revision 1. For example, document of EIA, document of Land Use Title, document of OHS implementation.</p>		
	<b>Status: COMPLY</b>	
<b>1.3</b> <b>Growers and millers commit to ethical conduct in all business operations and transactions.</b>		
<p>The company has had written policy. It describes the code of conduct and ethic behaviour on all operational of the company and the transaction as well. It is written on the Code of conduct No. 440/HRM-COC/07. It has been approved by the top manajemen.</p> <p>Code of Conduct contains the business ethic, work ethic, commitment over specific matters such as the data and information management, mandatory to secure the company properties, secure the environment and OHS, conflict of interest, political programs, souvenir/gifts, donation, bribery, enforcement of CoC.</p> <p>According to the result of interview with the management unit, employees and gender committee and labour union, the aspect of honesty, ethic and commitment to act like a good boy inside and outside the company area has been socialized via morning briefing and safety briefing.</p>		
	<b>Status: COMPLY</b>	
<b>PRINCIPLE #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS</b>		
<b>2.1</b> <b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>		
<p>According to the result of stakeholder consultation with the Government Agencies of Morowali District (Plantation Agency and National Land Agency) on May 5th 2015, PT TGK has been running the business cooperatively. PT TGK also complies the national and regional law.</p> <p>The company has a documented system in form of the list of law in aspects of land legal, manpower and OHS. There are 107 laws and check list of the compliance of the company against the law.</p> <p>The procedure of law requirements compliance is started by completing the checklist of law compliance evaluation. The evaluation of the law compliance is reviewed by the company for at least once a year.</p> <p>The system to search any law change that have to do with estate and mill is implemented by the Department of Legal. It is authorized to PSQM Officer.</p>		

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.**

According to the result of field visit to border in Block 100 and 102 (Field E007) of Division 4 of UAE for 134 Ha (it has been expelled from Land Use Title), it is not managed by PT TGK. There are boundaries in form of the trench dug by the management unit of PT TGK as the land demarcation on the area within Land Use Title (HGU) and beyond the Land Use Title (HGU).



According to the result of field visit to block 100 and 102 (Field E007) of Division 4 of UAE on May 5th, 2015 the legal

boundaries are well maintained (National Land Agency Pole No. 3).



According to the result of stakeholder consultation with the Morowali District Plantation Agency and National Land Agency on May 5th, 2015, the land dispute occurred in Bumi Harapan Village and Laantula Jaya Village has been solved for 134 Ha of area. Meanwhile, the  $\pm$  84 Ha of area next to the road which is claimed by the locals is not followed up due to the lack of legal standing.

According to the result of interview with the management unit and several parties (government agencies) on May 5th 2015, the company has procedure of conflict resolution in form of the procedure of land dispute resolution which involves the associated agencies such as government.

**Observation: PT TGK management unit must ensure that the occupied area for 79.74 Ha (Field A004, A008, B006 in Division 2 and Field D006, E003, E005 in Division 3) of Land Use Title area is in condition where it is possible for the resolution process that is acceptable by all parties.**

According to the Memorandum No. 364/IV-SOUVII/2015 dated January 1st 2015, PT TGK management unit committed to solve the issue by referring the applied law and procedure (no use of paramilitary to intimidate).

<b>Status: COMPLY</b>
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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.**

According to the result of interview with the stakeholders (Plantation Agency, Forestry Agency, Environment Agency and National Land Agency) of Morowali District on May 5th 2015 and with the community of villages of Solonsa, Solonsa Jaya, Lambelu dan Limbo Makmur on May 6th 2015, there is no customary right over the land. The community nearby the estate is consisted of the locals and the transmigrants (since 1985). Almost all settlers have achieved abstract of title (SHM).

The status of PT TGK land is the state land which is granted with Land Use Title (HGU) for period of 1989 to 2024. There is no customary land within the company operational area. Therefore, there is no profit share the company should implement. However, PT TGK has scheme smallholder management with PIR-TRANS scheme for 5,859 Ha (government program).

The ownership of land by PT TGK is proven by the document of Land Use Title (HGU) No. 06/HGU/1989 dated July 15th 1989. It was issued by Poso District National Land Agency. It valid till 2024 for 4,145 ha. The hectarage is divided into 3 cadastral measurement paper. Those are (1) cadastral measurement paper No. 124 dated September 12th 1989 for 2,692 ha; (2) cadastral measurement paper No. 125 dated September 12th 1989 for 610 ha and (3) cadastral measurement paper No. 126 dated September 12th, 1989 for 843 ha.

The company is able to show the synchronization of the document of land ownership (certificate of Land Use Title) with

the document of area statement for period of 2013/2014 (hectarage for 4,145 ha) based on letter No. 099/PSD.JKT/07.13 dated July 24<sup>th</sup>, 2013.

**Status: COMPLY**

**PRINCIPLE #3 Commitment to long-term economic and financial viability**

**3.1**

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

The company has the document of work plan for the next 3 years. For example:

- Estate. The company has had the document of budget presentation for period of 2015 – 2018 of Ungkaya Estate. It was composed by the Estate Manager. The content of the budget plan is the description of Crop oil palm, Fixed cost, Direct cost, KKPA only – management fee, Cost allocation estate/admin paid, immature replanting and nursery.
- Mill. The company has had document of short term work plan for period of 2013 – 2018 PT. TGK of Ungkaya Factory. The content of the budget plan is the description Mill intake (FFB); Production CPO; Production PK; Total palm extraction (OER % & KER %); Processing cost (reception, fruit handling, sterilization, threshing, pressing, clarification, depericarping, kernel recovery station, boiler station, power generation, production storage and dispatch, laboratory, oil recovery, WTP, effluent treatment plant, workshop and maintenance, EFB disposal); mill fixed cost; dll.

The company has had the document of map of long range replanting program for period of 2012 – 2027 for 3,851.90 Ha. For example:

Replanting Year	Hectarage of Replanting Area	Actual
2011 – 2012	239.36 Ha	239.36 Ha
2012 – 2013	252.64 Ha	252.64 Ha
2013 – 2014	226.02 Ha	226.62 Ha
2014 – 2015	248.34 Ha	146.66 Ha
2015 – 2016	243.87 Ha	
2016 – 2017	232.34 Ha	
2017 – 2018	232.22 Ha	
2018 – 2019	259.55 Ha	
2019 – 2020	282.82 Ha	
2020 – 2021	248.33 Ha	
2021 – 2022	253.86 Ha	
2022 – 2023	244.28 Ha	
2023 – 2024	139.77 Ha	
2024 – 2025	262.94 Ha	
2025 – 2026	240.57 Ha	
2026 – 2027	244.99 Ha	

The replanting plan in period of 2014 – 2015 is not in line with the planned program due to the dispute with the contractor. The replanting program is conducted by considering the plants age >25 years old; Yield < 18 ton/Ha, plant height >15.1 meter and the replanting program must be executed systematically by following operational scheme.

**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.**

PT. TGK has had SOP of Estate. It describes the procedure of LC to harvesting program. It is written on the Reference of Estate Agronomy Manual No. 110/EST-ARM/13 dated September 1st 2013. It was signed by the Head of Plantation



Upstream Indonesia Minamas. The SOP has been distributed on September 16th 2013 to all the Heads of Divisions and all unit Manager of estate and mill. The document is described on 18 parts. According to the field observation to Block E24 (harvesting program) and Block E31-32 of division II (spraying program), the programs have been complying the applied procedure.

Ungkaya Mill has had procedure of mill since its FFB receipt to the CPO and PKO dispatch. It is written on the document of POM operational administration of Minamas Plantation No. 130/POD-FAC/07. The procedure is consisted of 6 chapters. According to the field observation to Sekunyir POM, the processing stage operational like the receipt of FFB (loading ramp), workshop and the management of effluent have referred the applied procedure.

PT. TGK has conducted operational audit regularly (each semester). The audit for estate area is conducted by Plantation Advisory (PA) and the audit for mill area is conducted by Mill Advisory (MA). The program has been followed up by each unit.

Each estate and mill report the operationals of the company to the Central Management of Minamas regularly (monthly). The report of estate operationals contains the information in term of Block Harvesting System; Production; Estate Condition; Manuring and Stock Godown; Penyisipan and Completing; Pest and Disease Control; Recapitulation by Product; Running Account; Estate Social Condition; CD and Land Security; Cost management; and FFB production declaration per month. The report of the result of mill operationals cover the received and the processed FFB, the rejected FFB, hour of processing, total of workday, evaluation of the target achievement, mill capacity; OER and KER, Product Losses, Product Quality (FFA Oil produksi; Dirt & Moist of Kernel Production), production and dispatch (report of the production in the end of the month, production stock, data of FFB receipt, production statistic and extraction, data of daily production, production goods dispatch), recapitulation of solid application, effluent application, the use of chemicals; total production cost (total mill cost, mill processing cost, mill fixed cost, selling expense, running account).

The company has documented the list of FFB suppliers which supply the FFB to the Mill.

Ungkaya POM has had the list of FFB suppliers during period of July 2014 – April 2015. For example:

No	Supplier	Amount of FFB (MT)	Note
1	Ungkaya Scheme Smallholder (171 Smallholder Groups)	103,043.89	Ungkaya Scheme Smallholders
2	Morokarta	1,569.85	Outgrowers
3	Kirana Sinar Gemilang	193.56	
4	Timurjaya Indomakmur	164.60	
	Total	104,971.90	

**Status: COMPLY**

#### 4.2

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

According to the result of document verification and field visit, the company has attempted to manage the soil fertility by analyzing the soil once every 5 years and analyzing leaf once a year. The visual analysis is conducted to recognize the rate of pest and disease attack and the soil nutrient deficiency.

The record of the manuring program has been well documented by the company. The management unit shows the record of the executed manuring program. According to the result of document review, there are results of manuring program for period of 2012/2013; 2013/2014; and 2014/2015 have been realized for 100%. According to the result of field visit to Ungkaya Estate, the manurer has known the proper manuring technique. According to the result of interview



with the employees, the foreman and assistant have guided the manurer in term of the manuring program.

The company analyzed the leaf annually to recognize the nutrient on the leaf. The attachment of the result of laboratory analysis on each sample are provided. The tested parameters are texture, acidity (pH), substance C, N, P, K, Mg, Ca, Na, BS, CEC, Al and H. The company is able to show the record of soil analysis on 2014. The result of leaf analysis is considered as the reference for the manuring program with specific dosage to optimize the FFB production.

The strategies implemented by the company to maintain the soil fertility are by conducting manuring program based on the dosage and recommendation of EFB and LA. All the programs are monitored and recorded. According to the field visit to block D25, the company has used EFB for about 40 ton per hectare. Furthermore, the dead palm oil plants are chipped along with the interrow.

**Status: COMPLY**

#### 4.3

##### **Practices minimize and control erosion and degradation of soils.**

The company has determined the marginal soil which has the N1 suitability class (currently not suitable) and N2 (permanently not suitable). According to the result of tanah tinjau soil survey and evaluation of land suitability on 2005, there is no marginal soil within the area of PT TGK.

According to the result of tanah tinjau soil survey and field observation, the operational area physiography has the slope relief between 0-30% and rainfall rate for about 2,340 mm/year (2007 - 2011). There are 3 type of soils within the operational area of TGK. Those are *Lithic Endoaquepts* (1,966 ha) – frequently reduced soil, *Plinthic Petroaquepts* (631 ha) – frequently reduced soil and *Rhodic Kandudults* (1,808 ha) – wet soil for 90 days in row with depth of 10-90 cm off the soil surface.

The slope area management strategy (8-30%) are (1) by maintaining the lower vegetation and implementing *selective weeding*; (2) creating terrace or siltpit in line with contour line; (3) implementing *U-shape frond stacking*; (4) applying *mulch* with EFB; and (5) planting woody tree.

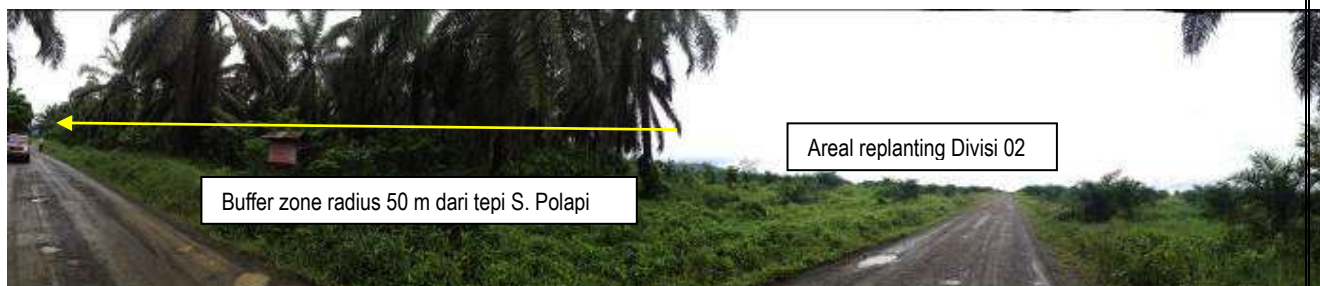
The company has had facilities for the road maintenance program. The well maintained road is proven by the result of field visit.

**Status: COMPLY**

#### 4.4

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

According to the result of field visit to 4 rivers pass through Ungkaya Estate (Mamalu River, Laarulia River, Polapi River and Laantula River) on May 5th 2015. The river is incredibly clean and there is no indication of contamination. However, the attempts to manage the surface water quality is still conducted by the estate and mill management unit by preserving the bufferzone for 50 M off the river.





Condition of Mamalu Riparian in Division 3



Figure 1. Signboard in Riparian Area (buffer zone)

The effluent generated by Ungkaya POM is managed by using WWTP pre its application to the land. The effluent is monitored routinely (monthly) by conducting effluent sample in pond 1 (after process/raw pond) and pond 7 (pre its flux to the land). The result of BOD effluent level is as follows:

Month	Quality Threshold (mg/L)	Pond 1 (mg/L)	Pond 7 (mg/L)	Note
Sep-2014	250	37,179.1	694.896	Level for application to land is maximum 5,000
Oct-2014		43,801.6	1,299.48	
Nov-2014		109,569	786.65	
Dec-2014		119,046	2,543.22	
Jan-2015		20,203.1	5,453.97	
Feb-2015		47,711.2	1,734.79	
Mar-2015		46,655.4	335.23	

Data of water consumption during the palm oil processing stage of Ungkaya Mill for period of April 2014 – April 2015:

Actual of water consumption: 126,932 m<sup>3</sup>.

Budget of water consumption: 141,227 m<sup>3</sup>.

Actual of the processed FFB: 121,754 MT

Budget of the processed FFB: 129,712 MT

Actual of water/FFB: 1.04 m<sup>3</sup>/ton of FFB

Budget of water/FFB: 1.09 m<sup>3</sup>/ton of FFB

**Status: COMPLY**

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

PT TGK has a record of the programmed pest and disease hectarage monitoring. It is conducted along with the calculation of pest and disease census. The company shall review the trend of pest and disease progress and the realization of the programmed pest and disease. Therefore, the pest and disease control shall be more environmental friendly.

According to the information from the estate Assistant, the first information of the pest attack is reported by the field workers like harvesters and foremen. Furthermore, the company also has Pest and Disease Foreman. The routine detection is conducted on the monthly FFB census and FFB census for each semester.

According to the result of pest and disease detection. There was a rat attack which exceed the economy threshold in division 2 on April 2015. The rat attack rate was 23.97%. the company has dealt with it by using warfarin active ingredient rodenticide on May 2015. It shall be evaluated on June 2015.

In order to prevent the palm oil leaf eater caterpillar, the company plants and maintain the beneficial plants (*Turnera Subulata* and *Antigonon leptosus*). Furthermore, in order to prevent vast rat attack, the company monitors the existence of barn owl month routinely (monthly).

The company has held pest and disease training. For example, the pest and disease training on March 14th 2015. It was attended by 42 participants and was taught by Minamas Research Centre.

	<b>Status: COMPLY</b>	
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**4.6**
**Pesticides are used in ways that do not endanger health or the environment**

The management unit is able to show the list of pesticide used by the company based on the book of plantation and forestry pesticide on 2014. It was issued by the Direktorat of Fertilizer and Pesticide of Direktorat General of Facilities of Agriculture Ministry on 2014. According to that, all the pesticides used by the company are registered and permitted. The use of pesticide has been well recorded in each estate. It describes the amount of pesticide use, work items (circle chemicals application, harvesting path and interrow), the use per hectare and amount of application.

According to the field visit, the pesticide has been used as it use for. According to the result of interview with the sprayer foreman, the foreman conducts survey to know what type of weed that must be controlled and type of herbicide that must be used by the company before the spraying program.

The management unit has MSDS (*Material Safety Data Sheet*) for each agrochemical ingredient (pesticide). It describes the guideline of ingredient storing and control, action for dealing with work accident (first aid action), danger identification, action to deal with spillage and leakage, PPE, chemical and physical property, reactivity and stability, toxicology information, ecology information, waste disposal and transport. The company use the pesticide by referring the recommended dosage written on each label of pesticide and the programmed budget.

All the pesticides are stored in the estate chemical storage. According to the field visit to the chemical storage, there are symbol of hazardous waste, MSDS (*Material Safety Data Sheet*) and Oil Trap.

PT TGK has had work instruction over the waste management generated by the use of pesticide such as the ex pesticide containers. Those have been well controlled and well managed (the ex pesticide containers should be hollowed). The ex pesticide containers are stored at the hazardous waste storage. The water used for washing the PPE and work outfit is flowed and accomodated by using *under flow system*.

The company has disposed the waste correctly by implementing comprehensively-understood procedure. It refers the SOP of hazardous waste and non-hazardous waste management (RSPO/5.3/PLB3&B3). For example:

- Hazardous waste: the ex pesticide containers are managed by having it washed three times. The water used to wash it is accommodated on the control tank and it is covered with the cap. The ex pesticide containers are hollowed. The hazardous waste are collected on the permitted hazardous waste.
- Effluent is applied to the land. Permit of effluent utilization on the land of PT TGK estate is based on the decree of Morowali District Environment Agency No. 660/007/SK-Izin/BLHD/IV/2015 (valid for 3 years).

According to the field visit and interview with workers of workshop of division 1 of Ungkaya Estate, there are several facts. For example:

- Used oil: it is managed by recycle method in workshop (for chain lubricant and senso machine lubricant).
- Oil spillage: it has been covered with sand and it has been stored separately from rag, used filter and used oil.
- Rag: it has been placed on the big drum which had been noted.

The company has had effort to monitor the worker's health by holding regular medical check up for pesticide Operator. For example, the regular medical check up for 7 manurers of division I and for 11 sprayers of division I on May 5th – 6th 2015. According to the result of medical check up, all the employees are healthy.

All the jobs that have to do with pesticides are not conducted by pregnant nor breastfeeding women workers. It is supported by the result of interview with the sprayer of division 2 of Ungkaya Estate.

<b>Status: COMPLY</b>
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#### 4.7

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

The company has had the policy of OHS. It was legalized by the Group Head Plantation on May 31st 2007. According to the policy, the Minamas Plantation committed to implement and responsible for OHS programs in all estate and mill operations.

The company has had attempts to analyze the risks which probably threat the workers OHS written on the document of risk management in form of HIRAC in Document No. 703/TQEMS-P2K3/07. It was approved by the Manager on May 31st 2007 for the scope of mill and estate programs.

- Estate HIRAC: harvesting program; hazard (danger potential): being thorned and or struck by FFB down during harvesting program; effect (risk): minor and major wound; risk control (recommendation): the use of helmet, boots, installation of signboard in strategic area.
- Mill HIRAC: FFB loading on the conveyor; hazard: hit by iron chain; effect: wounded; risk control (recommendation): installation of the FFB level boundary on the conveyor, SOP of operationals, holding training and monitoring actions. The documents are provided by the Assistant of PSQM. The documents are checked by OHS Expert of PT TGK and those are approved by the Mill Manager.

The company has had efforts to provide safety work practice to the workers like the fire control training. It was held on February 28th and March 31st 2015 (the official record, photographs and attendance list 10 are available). The training of Hyperkes was participated by the company doctor, the training of Operator license for the crane Operator.

- The company has attempted to provide the proper PPE for the workers. The management unit has complied the need of PPE for workers such as the handover of the safety boots for mill workers (Foreman and Operator) and the sickle cover for the harvesters on May 4th 2015.

#### **The company has had efforts to identified the PIC on the OHS programs.**

- The company has had OHS Guiding Committee. It responsible for running OHS programs. It was legalized by the



Head of Morowali District Manpower Agency.

Estate: No. 188.4/190/SNT/III/2015 in term of the legalization of OHS Guiding Committee forming for Ungkaya Estate on March 4th 2014. It is led by Supardi (Leader) and is supported by Asikin (Secretary).

Mill: No. 188.4/364/SK/SNT/I/2013 in term of the legalization of OHS Guiding Committee forming for Ungkaya Estate on January 10th 2015. It is led by Sukino (Leader) and is supported by Asikin (Secretary).

- The company has had OHS expert certificate on behalf of Asikin. It was issued by the Director General of Manpower Supervising Guideline (Manpower Ministry) on October 25th 2012. The certificate is valid for 3 years since its issuance date (October 25th 2015). Registration No. 12.3278/AK3/U/X/2012.

### **Record of OHS Guiding Committee Meeting**

The assembly of OHS Guiding Committee is conducted monthly. The minutes of meeting is maintained and recorded:

- Assembly of OHS Guiding Committee of Estate on April 6th 2015 in Ungkaya Estate. It was attended by 17 workers. It discussed OHS< pruning, road bridges.
- Assembly of OHS Guiding Committee of Mill on May 2nd 2015 in Ungkaya Mill. It was attended by 16 workers. It discussed the work evaluation on April 2015, data of preventive maintenance and machine condition report, report of mill sanitation and audit report of OHS Guiding Committee.

The company has had procedure to deal with work accident and emergency response. It is written on the SOP of OHS (No. 711/TQEMS-P2K3/07) dated May 31st 2007. The procedure was distributed on December 31st 2007. It was signed and was approved by the Manager TQEMS, GM of HRM and HPO. The procedure describes the administration and management, OHS Guiding Committee, HIRAC, report of work accident, investigation and follow up, communication and media of communication, PPE, safety work system.

- According to the result of field visit to division 3 of Ungkaya Estate, the foreman has brought first aid kit and has aware of the function of the items on the first aid kit.
- The management unit has provided first aid kits in several location such as head office, central storage, workshop/traction/ elementary school. Each location is provided with 1 first aid kit. The first aid kits also available in division I – IV (provided with 2 first aid kits). All first aid kits are well maintained. According to the interview with the safety Officer, the first aid kits are inspected monthly. The empty first aid kits shall be reported to the Manager so the Head of Administration can immediately order the stock of first aid kit.

The work accident monitoring on 2015 is recorded on the table which describes the number of work accident per month, type of accident, lost time accident, work accident category and causes of work accident. The recapitulation is conducted monthly. For example, there were 6 work accidents on April 2015. The type of work accident was light work accident (able to back to work again).

The management unit has attempted to provide medical assistance to the workers in form of the work accident assurance. It is supported by the evidence of labour social assurance payment. For example:

- Mill = The company has evidence of labour social assurance (Jamsostek) payment for period of April 2015 for IDR 29,229,782 (USD 2,248). It was paid via bank transfer (Bank of BRI) on April 3rd 2015.
- Estate = The company has evidence of Health BPJS payment for period of February 2015 for IDR 28,189,593 (USD 2,168). It was paid on February 10th 2014 for 1,041 members (total of employees and its dependents).

All the work accidents have been recorded by using Lost Time Accident (LTA) calculation like the injury accident which cause the workers unable to work on the next day (regardless off the job or day off). For example, according to the calculation on March 2015, there were 9 people having work accident with 8 days of lost time accident. The received doctor recommendation paper (8 workers) for 1 – 4 days and only 1 worker who receive first aid action.

**Status: COMPLY**

**4.8**



<b>All staff, workers, smallholders and contractors are appropriately trained.</b>		
<p>There are matrixes and training program for PT TGK for period of 2014/2015. The programmed trainings are the introduction of palm oil estate, harvesting management, BMS and BSS, canopy management, pest and disease, KKPA management, workshop and maintenance, OHS. The realization of the training programs are planned on period of 2014/2015.</p> <p>The company keeps and maintains each record of employee training. The company shows the document of training program. For example, the pest and disease training on March 14th 2015 such as the bagworm control. The company also able to show the record of other training programs like manuring, rainfall rate and fertilizer sampling. The training is supported by the field practice. The photographs and attendance list are available.</p>		
	<b>Status: COMPLY</b>	
<b>PRINCIPLE #5 Environmental responsibility and conservation of natural resources and biodiversity</b>		
<b>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.</b>		
<p>The company has had EIA document. It was approved by Central EIA Commission on April 1995 in No. 011/ANDAL/BA/IV/95. The document covers 7 type of the monitored impacts. For example, the water quality reduction, air quality reduction, increase of erosion rate, disturbance over the flora and fauna, social conflict restlessness, social conflict due to smallholder business future and job opportunity and increase of settlers density.</p> <p>The document of EIA covers the reserve area for 15,000 ha in Morowali District. The document of EIA describes the positive and negative impacts that might be caused by the estate and mill establishment (PT TGK). There is no changes on the EIA scope until the ASA-3 assessment for Ungkaya Estate and Mill.</p>		
	<b>Status: COMPLY</b>	
<b>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</b>		
<p>The identification of the endanger species is conducted along with the HCVA identification program. It was identified by POLLITO on January 2010.</p> <p>According to document of HCVA, there are several facts. For example:</p> <ol style="list-style-type: none"> <li>30 species of fauna consisted of 7 type of mammals (4 types are considered as appendix II CITES – <i>Manis javanica</i>, <i>Macaca sp</i>, <i>Cervus sp</i>, and <i>Sus celebensis</i>); 19 type of aves (1 type is considered as appendix II – <i>Centropus sp</i>); and 4 type of reptile. There are also 28 type of flora. For example, cendana (<i>Santalum album</i>) in monitoring location 2, 3 and 5 with Crucial Index Score 23,2-34,3).</li> <li>The HCV for 249.76 ha is located in Polapi River (89.21 ha), Mamalu River (25.01 ha), Laluria River (80.11 ha) and Laantula River (55.42 ha).</li> </ol> <p>In order to preserve the conservation area, the company has had SOP of conservation forest management (RSPO/B.5.4/TGK) dated June 1st 2009. According to the point 5.1 of the procedure, the company decide the are that cannot be planted (conservation), erosion barriers, HCV area. According to point 5.2, the company maintain and manage the conservation area like enriching the conservation area by planting tree, preserving the hectareage of conservation area, not cutting the tree down, prohibit the chemicals maintenance program nearby conservation area.</p> <p>In order to preserve and enrich the plants on the conservation area, the company has planted tree nearby Laantula</p>		

Riparian, Mamalu Riparian, Laluria Riparian, Polapi Riparian. PT TGK management unit has appointed Umar Al'amri as the HCV management Officer in PT TGK area based on the appointment letter of senior Manager No. 656/TGK-UKE/VI/2011 dated June 7th 2011.		
	<b>Status: COMPLY</b>	
<b>5.3</b> <b>Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</b>		
<p>The company has identified the waste source written on the SOP of hazardous and non-hazardous waste management (RSPO/5.3/PLB3&amp;BB3 dated March 4th 2009) and SOP of hazardous medical waste in policy no. 703/IK-TQEM-ESH/10. According to the procedure, the type of the generated waste are the effluent, EFB, shell, fiber, metal crap, used oil, ex pesticide containers. According to the result of field visit to Ungkaya Estate, there are emergency shower, no oil spillage, the siltpit and palet are installed, there is an oil trap.</p> <p>The company has attempted to dispose all chemicals and its ex containers carefully (storing it at hazardous waste and have it transported by the third party to Morowali District Environment Agency. According to the result of field visit to Ungkaya Estate agrochemicals storage, there are 20 ex pesticide containers mixed. It is immediately corrected by labeling it "use". It becomes <b>OFI 5.3.2 UKE management unit needs to ensure that the containers of pesticide used by the company are placed in the permitted location.</b></p>		
	<b>Status: COMPLY</b>	
<b>5.4</b> <b>Efficiency of fossil fuel use and the use of renewable energy is optimised.</b>		
<p>The management unit of Ungkaya POM has calculated and assessed the GHG. It was conducted by an independent consultant named Price Waterhouse Cooper (PWC). One of the effort to reduce the GHG emission over the mill operational is by consuming the petroleum fuel effectively and optimizing the use of renewable energy like shell and fiber as boiler turbine fuel.</p> <p>According to the result of electricity usage monitoring on the mill operational. The electricity is generated by steam turbine and generator. The total of energy consumed by the company during period of April 2014 to April 2015 was 3,952,200 KWH (generated by turbine) and 393,394 KWH (generated by generator). The efficiency point of the energy consumption is 90.95% from the Steam Turbin KWH.</p> <p>Meanwhile, the use of renewable energy on the same period of the renewable energy sources (shell and fiber) was 4.05 kg/KWH (budget 2.23 kg/KWH). In other station, the consumption of fuel for boiler and fiber was 1.81 kg/KWH (budget 1.32 kg/KWH). It means that the use of renewable energy resources was exceeding the applied budget or far more efficient than the consumption of diesel fuel.</p>		
	<b>Status: COMPLY</b>	
<b>5.5</b> <b>Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>		
<p>The company does not burn the land during the replanting program based on the agronomy manual reference in Policy No. 110/EST-ARM/08 on chapter 4. Land clearing. Land clearing is conducted manually by pushing the tree down, chipping it, stacking it and digging planting hole.</p> <p>According to the information from the Head of Ungkaya Estate Administration Division, the replanting program shall be executed on October 2011. The company has had porcedure to control the fire. For example:</p> <ul style="list-style-type: none"> <li>- Fire prevention in policy No. 730/TQEM-ESH/10</li> <li>- Emergency situation in policy No. RSPO/B.4.1/TGK</li> <li>- Fire control in policy No. 727/TQEM-ESH/10. The procedure regulates the effective and safe fire control to all emergency response team (TRD).</li> </ul>		

According to the result of field visit, the company did replanting program mechanically.		
	<b>Status: COMPLY</b>	
<b>5.6</b> <b>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</b>		
<p>The management unit of Ungkaya Mill and Estate have calculated the GHG by using GHG Protocol method (developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD). It sets the global standard for measuring, managing and reporting greenhouse gas emissions) for period of 2011 till March 2012. The result of GHG calculation is as follows:</p> <p>Ungkaya Mill: total of carbon emission 34,098.87 tCO<sub>2</sub>-e.</p> <p>Ungkaya Estate: total of carbon emission 8,682.52 tCO<sub>2</sub>-e.</p> <p>Identification Source: IPCC 4<sup>th</sup> assessment report (2007).</p> <p>The result of GHG calculation assessment identification:</p> <p>Ungkaya Factory. CO<sub>2</sub>-e emissions by top 5 emissions:</p> <ol style="list-style-type: none"> <li>1. Effluent treatment: 29,203.87 tCO<sub>2</sub>-e (85.64%) total carbon emissions for this site.</li> <li>2. Boilers: 4,216.89 tCO<sub>2</sub>-e (12.37%).</li> <li>3. Electricity generation: 444.18 tCO<sub>2</sub>-e (1.30 %).</li> <li>4. Heavy goods vehicles: 182.79 tCO<sub>2</sub>-e (0.54 %).</li> <li>5. Cars: 34.09 tCO<sub>2</sub>-e (0.10 %).</li> <li>6. Other emission (heavy machineries): 17.05 tCO<sub>2</sub>-e (0.05 %).</li> </ol> <p>Ungkaya Estate. CO<sub>2</sub>-e emissions by top 5 emissions:</p> <ol style="list-style-type: none"> <li>1. Synthetic fertilizers: 7,747.48 tCO<sub>2</sub>-e (89.23 %).</li> <li>2. Light good vehicles: 427.28 tCO<sub>2</sub>-e (4.92 %).</li> <li>3. Electricity generation (buildings): 416.28 tCO<sub>2</sub>-e (4.80 %).</li> <li>4. Heavy machineries: 91.04 tCO<sub>2</sub>-e (1.05 %).</li> </ol> <p>According to the result of interview with the representatives of Minamas Plantation management, the long term plan to reduce the GHG emission is by constructing Methane Capture in 4 unit of Mills in Indonesia. However, it is still considered as blue print and there is no information in term of the realization.</p>		
	<b>Status: COMPLY</b>	
<b>PRINCIPLE #6 Responsible consideration of employees and of individuals and communities affected by growers and mills</b>		
<b>6.1</b> <b>Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate the continuous improvement.</b>		
<p>PT TGK has had document of EIA and SIA on 2009. The impacts over the environment and social aspect caused by the estate and mill operationals are described.</p> <p>The company also has the document of brief summary of the replanting impacts over the environment and social aspect of Ungkaya Estate of PT TGK, Morowali District, Central Sulawesi Province. It was analyzed by Aksenta Consultant on February 2012 (before the replanting program on march 2012). The analysis describes the summary of the impact prediction including the recommendation options for managing it. Social aspect in form the impact of replanting program over the employee allocation (especially harvester) and for the other aspects that might cause restlessness on the</p>		

community. The identification of the impacts sources that might appear during the replanting program might be positive impact or negative impacts.

The company has the report of environmental management and monitoring plan in 1st and 2nd semester of 2014. The monitored and managed environment impacts are the air/noise quality, river water quality, effluent and solid waste quality, fire potential, existence of flora and fauna and social aspect. The report of environmental management and monitoring plan implementation has been reported to the Morowali District and Central Sulawesi Province Environment Agency.

**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.**

PT TGK has had the document of SOP of communication and consultation with the locals (RSPO/6.2/KKM). According to clause 6, the consultation with the locals are realized by providing advise box in Central Estate and in each division and providing email address ([ungkaya.estate@simedarby.com](mailto:ungkaya.estate@simedarby.com)). The PIC who is dealing with the locals in term of communication and consultation process is the Senior Assistant.

There are 47 recorded stakeholders on the list of PT TGK stakeholders and its address.

**Status: COMPLY**

## 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.**

PT TGK has SOP of complaint delivery over the operational of PT TGK No. RSPO/B.4.9/TGK. The procedure describes that all complaint must be responded within 2 weeks. Furthermore, the facility for the information request are the advise box on the central office and in each division office as well as the email address of Ungkaya Estate.

The SOP (RSPO/B.4.9/TGK) has been socialized by the Senior Assistant of UKE in estate on January 4th 2014. PT TGK has provided facilities to record the complaint over the company operations as written on the book of ungkaya estate and mill workers complaint.

**Status: COMPLY**

## 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.**

The procedure to calculate the compensation over the legal and customary rights including its procedure of the compensation identification is written on the procedure of land compensation and identification (No. 001/PSDS-L&AS) in clause 4 in term of the process of compensation negotiation. The procedure describes the process of land identification, scheme of resolution, forum for compensation, method of payment and reporting.

It is supported by the result of interview with the community of Villages of Lambelu, Soloansa, Soloansa Jaya, Wata dan Limbo Makmur and smallholder groups that there is no customary land within Ungkaya Estate area.

**Status: COMPLY**

## 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.**

According to the result of field visit and interview with the Ungkaya Estate and Mill workers, the company has applied and has implemented minimum wage standard referring the decree of Central Sulawesi Governor No. 561/55/RO.HUK-G.ST/2015 in term of the minimum wage standard for Morowali District for period of 2015 on January 26th 2015 for IDR 1,800,000 (USD 140)-

The management unit has had the contract for service for period of 2014-2016. For example:

1. Contract for service for Staff and Non Staff for period of 2014 – 2016. It was legalized on July 11th 2014.
2. Contract for service for permanent workers. It was legalized on March 20th 2015.

According to the information from the management unit (HRD staff), the contract for service for non-staff is just legalized. However, the recording process in Manpower is being awaited. Furthermore, the photographs of negotiation for contract for service socialization with the attendance list in Grand Asia Makassar Hotel on October 29th 2014 are shown. The negotiation was attended by the company representative, the Head of Manpower Agency and the Head of Labour Union.

According to the field visit to Ungkaya Estate settlement, the management unit has provided proper settlement for employees. There are 240 units in estate and 150 doors in mill (data per April 2015). The settlement is supported by the clean water facilities, estate policlinic, educational facilities like kindergarten, elementary school and secondary school.

The company is closely located from the downtown (2 – 3 Km off the market). It is also supported by the well maintained roads. Therefore, the merchant shall easily access the company area to sell their goods. It means that the company has an effort to improve the access of the workers to the logistic center with affordable price.

**Status: COMPLY**

#### 6.6

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

The company has given right to unite as written on:

- Sustainable estate management guideline (Policy No. 724/TQEM-SPMS/09). It regulates the social policy. the company respect the right to form and unite the labour union and collectively negotiate with them.
- Contract for service of staff and non-staff for period of 2014-2016 on Chapter II of Clause 8 in term of the recognition of the industrialist and the labour union and clause 11 in term of the assurance for the labour union. According to clause 4 of the contract for service for the daily workers for period of 2014-2016, the rights of the company and labour union are described.

The management unit has documented each of the minutes of meeting with the labour union or its representatives.

**Status: COMPLY**

#### 6.7

**Children are not employed or exploited.**

The company has attempted to comply the workers minimum age recruitment. For example:

- According to the data of Ungkaya Estate and Mill employees for period of April 2015, there is no underage workers.
- According to the result of field visit to Ungkaya Estate settlement, there is no underage workers. The staff and workers have also known and aware of the policy.

**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.**

The policy of equal job opportunity is written on:

- Document of the sustainable estate management guideline (Policy No. 724/TQEM-SPMS/09). It regulates the social policy that All staff and employees must be fairly and normally treated in things that have to do with recruitment, development, work condition and description regardless race, degree, tribes, nationality, gender, disability, sexual orientation, organization membership, political thought, religion and age.
- Contract for service for period of 2014-2016 clause 21 in term of promotion, verse 1, 2 & 3 and contract for service



for the daily permanent workers. It states that the requirements and procedure of recruitment should in one line with the applied law.

- According to the record, the promotion for the employees is conducted based on the applied procedure. For example, the decree of permanent employee promotion No. 77/TGK-UKE/Persh/IV/2014 on April 15th 2014. The decree of promotion as the permanent employee in division of administration with employee ID number 0000097763 and receive the wage and rice allowance.

According to the result of document review on the employee data and the interview with the employee of division 1, there is no discrimination on the PT TGK management unit. All staff and employees must be fairly and normally treated in things that have to do with recruitment, development, work condition and description regardless race, degree, tribes, nationality, gender, disability, sexual orientation, organization membership, political thought, religion and age.

The company has had policy which regulates the things that have to do with selection, recruitment and promotion. For example:

- Contract for service on period of 2014-2016 clause 21 in term of promotion, verse 1, 2 & 3 and contract for service for the daily permanent workers, Chapter II clause 7 verse 3.
- The process of recruitment and promotion is based on the result of evaluation and achievement. For example, the decree of promotion No. SK-PROM/UKF-SKU/14/IV/004. It was applied by the management unit for the permanent workers with the description of the position, class and basic salary based on the station in Ungkaya POM.

**Status: COMPLY**

## 6.9

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

The policy to prevent all type of the sexual harassments are written on the SOP of gender policy implementation of Minamas Plantation in Policy No. 701/TQEM-ESH/10. It was legalized by the authority (Manager of PSQM) and Chairman of SOU 7 on July 1st 2011. The policy has been communicated in socialization program. It was attended by 49 participants on April 11th 2015. It was taught by Madam Henias (Head of Gender Committee). The taught materials were the community complaint, gender equality, freedom to unite and prohibition to employ underage workers (attendance list and photographs are available).

The company has had attempts to protect the women reproduction rights. It is written on the policy of reproduction right in clause 33 verse 1 of the contract for service of staff and non-staff for period of 2014 – 2016. According to the contract for service, the women workers have right to get day off for 45 days before the childbirth and 45 days after the childbirth with full paid wage based on the recommendation of the doctor or midwife.

The company committed to implement the policy by forming gender committee. According to the result of interview with the Head of PT TGK Gender Committee for the organization period of 2013 – 2015, there is no domestic violence nor sexual harrassment issue till the assessment program. The complainant shall be specially treated for reporting the case. The socialization in term of the gender committee has always been conducted during morning briefing.

**Status: COMPLY**

## 6.10

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

The FFB pricing is conducted by Central Sulawesi Province Plantation Agency. According to the meeting with the parties consisted of the Head of Trade Agency, the Head of Industrial & Cooperative Unit Agency, the representatives of smallholder and the representatives of each estate company.

The company has had the FFB price on April 2015 based on the FFB pricing applied by the Central Sulawesi Province Plantation Agency (No. 525.26/1654/D.P2HP/Disbun) on April 15th 2015.

<p>Ungkaya Scheme Smallholder was invited by the Central Sulawesi Province Plantation Agency on April 10th 2015 (Letter No. 525/10-04/D3.P2.HP.Disbun) in term of the invitation to be the FFB pricing team on Wednesday, April 15th 2015 in the meeting hall of Central Sulawesi Province Plantation Agency.</p> <p>The agreement of the contract for service between the company and the smallholder groups are signed on the law agreement paper. The rights and obligations of both parties are first described in detail, transparently and fairly before the document signing.</p> <p>According to the result of interview with the local contractors, the cooperation is well running, the payment is paid on time and all the issues shall be discussed in forum.</p>		
	<b>Status: COMPLY</b>	
<b>6.11</b> <b>Growers and millers contribute to local sustainable development wherever appropriate.</b>		
<p>PT TKG has composed CSR program for period of 2014 and 2015 by considering the need of the locals and based on the result of communication and consultation with the locals. The company's contributions over the local developmen in form of CSR are focused on the scholarship funding, spiritual aspect and repairment of place of worship, repairment of the village road, property tax and income tax payment and establishment of Ungkaya Scheme Smallholder for 5,369 ha for 171 smallholder groups (5,005 smallholders).</p>		
	<b>Status: COMPLY</b>	
<b>6.12</b> <b>No forms of forced or trafficked labour are used.</b>		
<p>According to the result of interview with the management unit of PT TKG, the company does not employ the illegally traded workers and migrant workers as well. All the workers working on mill and estate are the citizen of Indonesia (the locals are prioritized). It is supported by the document review on the list of workers on April 2015.</p>		
	<b>Status: COMPLY</b>	
<b>6.13</b> <b>Growers and millers respect human rights</b>		
<p>The policy to respect the human right is written on the Memorandum (No. 367/TGK-UKE/V/2015). It was issued on May 7th 2015. It describes that all written or oral actions shoul not break the norms written on the Law No. 39 Year 1999 in term of Human Rights (HAM). The policy has been socialized to the workers, to the locals and to the contractors. The implementation of human right is written on the contract for service for period of 2014-2016. The company has the document of sustainable estate management guideline (Policy No. 724/TQEM-SPMS/09). It describes the social policy. According to point 5, the company is expected to respect all rights of the employee to form and join the labour union and the company shall negotiate with them. Furthermore, according to point 1, all the staff and employees must be normally and fairly treated for things that have to do with recruitment, self development, work condition and description regardless the race, degree, tribes, nationality, gender, skin colour, disability, sexual orientation, organization membership, political thought, religion and age.</p>		
	<b>Status: COMPLY</b>	
<b>PRINCIPLE #7 Responsible development of new plantings</b>		
<b>7.1</b> <b>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.</b>		
<p><i>Not Applicable</i></p> <p>According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.</p>		
	<b>Status: NOT APPLICABLE</b>	

<b>7.2</b>	<b>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.</b>
	<i>Not Applicable</i> According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.
	<b>Status: NOT APPLICABLE</b>
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>
	<i>Not Applicable</i> According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.
	<b>Status: NOT APPLICABLE</b>
<b>7.4</b>	<b>Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.</b>
	<i>Not Applicable</i> According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.
	<b>Status: NOT APPLICABLE</b>
<b>7.5</b>	<b>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.</b>
	<i>Not Applicable</i> According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.
	<b>Status: NOT APPLICABLE</b>
<b>7.6</b>	<b>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.</b>
	<i>Not Applicable</i> According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.
	<b>Status: NOT APPLICABLE</b>
<b>7.7</b>	<b>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.</b>
	<i>Not Applicable</i> According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.
	<b>Status: NOT APPLICABLE</b>
<b>7.8</b>	<b>New plantation developments are designed to minimise net greenhouse gas emissions.</b>
	<i>Not Applicable</i> According to the data of Areal Statement, there is no new estate expansion conducted by PT TKG post 2005. The latest planting program was conducted on 1997. Therefore, all the principle 7 matters are not implemented.

<p>The management unit of Ungkaya Mill and Estate have calculated the GHG by using GHG Protocol method (developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD). It sets the global standard for measuring, managing and reporting greenhouse gas emissions) for period of 2011 till March 2012. The result of GHG calculation is as follows:</p> <p>Ungkaya Mill: total of carbon emission 34,098.87 tCO<sub>2</sub>-e. Ungkaya Estate: total of carbon emission 8,682.52 tCO<sub>2</sub>-e.</p> <p>Identification Source: IPCC 4<sup>th</sup> assessment report (2007).</p> <p>The result of GHG calculation assessment identification:</p> <p>Ungkaya Mill. CO<sub>2</sub>-e emissions by top 5 emissions:</p> <ol style="list-style-type: none"> <li>1. Effluent treatment: 29,203.87 tCO<sub>2</sub>-e (85.64%) total carbon emissions for this site.</li> <li>2. Boilers: 4,216.89 tCO<sub>2</sub>-e (12.37%).</li> <li>3. Electricity generation: 444.18 tCO<sub>2</sub>-e (1.30 %).</li> <li>4. Heavy goods vehicles: 182.79 tCO<sub>2</sub>-e (0.54 %).</li> <li>5. Cars: 34.09 tCO<sub>2</sub>-e (0.10 %).</li> <li>6. Other emission (heavy machineries): 17.05 tCO<sub>2</sub>-e (0.05 %).</li> </ol> <p>Ungkaya Estate. CO<sub>2</sub>-e emissions by top 5 emissions:</p> <ol style="list-style-type: none"> <li>1. Synthetic fertilizers: 7,747.48 tCO<sub>2</sub>-e (89.23 %).</li> <li>2. Light good vehicles: 427.28 tCO<sub>2</sub>-e (4.92 %).</li> <li>3. Electricity generation (buildings): 416.28 tCO<sub>2</sub>-e (4.80 %).</li> <li>4. Heavy machineries: 91.04 tCO<sub>2</sub>-e (1.05 %).</li> </ol>		
	<b>Status: NOT APPLICABLE</b>	
<b>PRINCIPLE #8 Commitment to continuous improvement in key areas of activity</b>		
<b>8.1</b> <b>Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.</b>		
<ul style="list-style-type: none"> <li>• The replanting program in Ungkaya Estate management unit area is still running. According to the result of observation, it is conducted mechanically.</li> <li>• All the corrective actions over the ASA-2 findings have been executed and complied.</li> </ul>		
	<b>Status: COMPLY</b>	

**Table 2. Summary Assessment of Smallholders P&C for UNGKAYA PLASMA**

Ref Std.	VERIFICATION RESULT MUTU-Certification	
<b>PRINCIPLE #1 COMMITMENT TO TRANSPARENCY</b>		
<b>1.1</b>		
<b>Scheme manager provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages &amp; forms to allow for effective participation on decision making</b>		
PT TGK and the smallholder groups show the information request and response to the stakeholders. It is recorded and maintained with the retention period based on the applied regulation and its interest.		
<ul style="list-style-type: none"> <li>Procedure of information request for scheme smallholder is written on the document No. 001/Plasma-TGK-INF/2014 dated January 1st 2014. The document describes the procedure that all the information request letters are purposed to the Head of smallholder group. The incoming and outgoing letters from and to smallholder groups are maintained on the house of the Head of smallholder groups. The complaint, claim and aspiration period that do not need approval shall be responded within 2 weeks. If it need approval, it shall be responded within a month.</li> <li>PT TGK also hold RSPO socialization to the smallholders. It was attended by 42 smallholders on October 11th 2014 in Eka Jaya Smallholder Group estate.</li> </ul>		
	<b>Status: COMPLY</b>	
<b>1.2</b>		
<b>Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</b>		
The company is not able to show the evidence of information in form of the documents that have to do with the partnership between the company and the smallholder groups. <b>NC No. 2015.01</b>		
The company (PT TGK) is not able to show the evidence of the information in form of the document of partnership with the other companies nor smallholder groups. For example:		
<ol style="list-style-type: none"> <li>Document of decree of Forestry Ministry No. 781/VII-4/1986 dated December 30th 1986 in term of the approval paper of the forest area land reserve for estate in December 1986 perihal Surat PIR-TRANS in Central Sulawesi.</li> <li>Document of Agriculture Ministry Approval Paper No. 49/Kpts/KB.510/2/88 dated February 8th 1988 in term of the development of estate in PIR-TRANS scheme.</li> </ol>		
Evidence of the EIA document available on the smallholder groups		
Auditor observation over the evidence of corrective action:		
<b>June 10th 2015</b>		
The management unit of Ungkaya Scheme Smallholder informs the corrective action in form of the memorandum No. 003/PSQM-UM/VI/2015 dated June 1 <sup>st</sup> 2015 in term of the description of scheme smallholder establishment history supported by Government and PT Tamaco Graha Krida. According to the memorandum, the decree of the Forestry Ministry No. 781/VII-4/1986 dated December 30th 1986 is not considered as legal standing for the scheme smallholder establishment in location 1 due to the actual condition that the location 1 is hell on earth.		
Therefore, the Regional Investment Agency relocate them to the new are in Sub-Districts of Petasia, Lembo and Bungku Tengah by referring the decree No. 570/05/1L/BID II-BKPM/87 dated September 28 <sup>th</sup> 1987. The area of relocation 2 gained its approval paper of the Agriculture Ministry No. 49/Kpts/KB.510/2/88 dated February 8th 1988.		
The structure of the Ungkaya Scheme Smallholder Organization is the smallholder group. However, it is managed by PT TGK. The organization structure of the scheme smallholder person in charge is the regional Coordinator. Therefore, 171 smallholder's groups bow to 4 regional Coordinator. All the compliance over the RSPO standards are charged by the regional Coordinator including the distribution of EIA/environment document to each regional Coordinator.		



**Based on the explanation above the NC is closed.**

PT TGK and the smallholder groups have provided the type of the given information and response. According to the document review, the management unit shows the type of the publicly-accessed documents like the land hectareage and planting year, type of the fertilizer used by, type of the agrochemical fertilizer used by, data of smallholders, list of income / list of smallholder groups wage, FFB pricing, circle/schedule of harvesting program. The information retention period is 2 years. The informations are well maintained and easily-searched.

The EIA has been given and it is available in the smallholder groups. It is supported by the evidence of the document/EIA handover official record of PT Tamaco Graha Krida to the regional Coordinator I-IV on May 8th 2015. It was given by the Head of Ungkaya Scheme Smallholder division and it was received by the regional Coordinator I-IV. It was witnessed by the Assistant of scheme smallholder, senior Assistant of scheme smallholder and EM of UKE. Furthermore, the management unit also give the declaration paper of the regional Coordinator III and IV (on the same period). It describes that the smallholder groups managed by PT TGK shall voluntarily comply and implement several terms and agreements such as the environment management written on the document of PT TGK EIA.

The social and organization programs are not well documented and well collected till the assessment program. Several documents provided by are in form of the record of smallholder group contribution to the locals on "Report of Fund Usage Progress of the Committee of Mosque Construction in Bumi Harapan Village". The smallholder groups name it as "donation of palm oil" on July 22<sup>nd</sup>, 2014.

**Status: COMPLY**

## **PRINSIP #2 COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

### **2.1**

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

PT TGK has shown the evidence of the regulation compliance evaluation such as the regulations that have to do with scheme smallholder. For example:

Law No. 5/1960 in term of the basic of agraria law.

Evidence of the compliance over the regulation is the abstract of title (SHM) of each land owner for 5,250 abstract of titles (SHM).

**Status: COMPLY**

### **2.2**

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

Ungkaya Scheme Smallholder as the partner of PT TGK is a partnership estate management with the government through the PIR-TRANS program on 1987-1988. The right over the land for all scheme smallholder is used to be the state land through the credit program along with PT TGK on the estate establishment. The candidate of the smallholders are 5,250 smallholders (5,859 Ha) based on the decree of POSO Regent. For example:

1. 188.45/0793/1998, POSO District, February 16th 1998. Petasia Sub-District: Mohoni Village (1 village). West Bungku Sub-District: Ambunu Village, Uedago Village, Wata Village, Bahonsuai Village, Samarenda/Pebotoa Village, Atananga Village, Pebatae Village, Karaupa Village, Umbele Village, Sampeantaba Village, Emea Village, Moahino Village, Ungkaya Village, Solonsa Village (14 Villages).
2. 188.45/3812/1998, POSO District, August 25<sup>th</sup> 1998. West Bungku Sub-District: Bumi Harapan Village, Puntari Makmur Village, Limbo Makmur Village, Laantula Jaya Village, Beringin Jaya Village (5 Villages).
3. 188.45/4155/1999, POSO District, November 4th 1999. West Bungku Sub-District: Limbo Makmur Village, Puntari Makmur Village, Laantula Jaya Village, Bumi Harapan Village (Unit V), Beringin Jaya Village (5 Villages).

4. 188.45/4156/1999, POSO District, November 4th 1999. West Bungku Sub-District: Unit I of Limbo Makmur Village, Unit VI of Lambelu Village, Unit II of Beringin Jaya Village, Unit IV of Puntari Makmur Village, Bumi Harapan Village (5 Villages).
5. 188.45/2015/2000, POSO District, April 5th 2000. West Bungku Sub-District: Unit III of Laantula Jaya Village (1 Village).
6. 188.45/2016/2000, POSO District, April 5th 2000. West Bungku Sub-District: Unit III of Laantula Jaya Village, Unit IV of Puntari Makmur Village, Unit II of Beringin Jaya Village, Unit VI of Lambelu Village (4 Villages).
7. 188.45/1573/2003, Morowali District, 2003. West Bungku Sub-District: Limbo Makmur Village, Lambelu Village (2 Villages).
8. 188.45/1574/2003, Morowali District, 2003. West Bungku Sub-District: Unit III of Laantula Jaya Village, Unit II of Beringin Jaya Village, Unit IV of Pontari Makmur Village, Unit I of Limbo Makmur Village, Unit V of Bumi Harapan Village (5 Villages).
9. 188.45/SK.1407/2004, Morowali District, August 18th 2004. Bumi Raya Sub-District: Pebotoa Village, Samarenda Village (2 Villages).
10. 188.45/SK.0334/2005, Morowali District, February 15th 2005. Wita Ponda Sub-District: Laantula Jaya Village, Bumi Harapan Village, Puntari Makmur Village (3 Villages). Bumi Raya Sub-District: Lambelu Village, Beringin Jaya Village, Limbo Makmur Village (3 Villages).

According to the result of interview with 10 smallholder groups on May 6th – 7th 2015, the loan payment obligation has been fulfilled by the smallholders. Therefore, the abstract of title are returned to them.

**Status: COMPLY**

### 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**

All the land of Ungkaya smallholders are the government program on 1988. The status of the land is the state land in form of the PIR-TRANS program. Therefore, the ownership of the land of each smallholder is the personal property. It has achieved abstract of title (SHM).

Several abstract of title of smallholders have been transferred (sold by the previous owners). Evidence of the land ownership take over is documented by the smallholder groups or PT TGK. For example:

Official record of the approval of smallholder group structure: **Semangat Tani**, Moahino Village, Wita Ponda Sub-District. Number of smallholders: 27 smallholders..

No	Smallholder Name (Previous Land Owner)	Smallholder Name (New Owner)
1	Soka	Amrin Naim
2	Aswad	Trubus Sugianto
3	Ladiani	Arnus
4	Moh. Amin	H. Samaing
5	Hamid Landu	Darno
6	Ambo Ase	H. Iskandar
7	Sabardin	Edi
8	Umar Andi	Mboyong
9	Ashar	Edi
10	Abd. Rahman	Edi

11	Nurdin DG Malindrang	Toka
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Official record of the approval of smallholder group structure: **Mandiri - D**, Molores Village, East Petasia Sub-District. Number of smallholders: 22 smallholders.

No	Smallholder Name (Previous Land Owner)	Smallholder Name (New Owner)
1	Simon Susu	Dewa Made Agung Wijaya
2	Stevanus Raga	Dewa Made Agung Wijaya
3	Antonius Kowe	Dewa Made Agung Wijaya
4	Serip	Nasrullah
5	Severinus Nggua	Dewa Made Agung Wijaya

According to the result of interview with 10 smallholder groups on May 6th – 7th 2015, several abstract of title have been transferred (changes on the ownership of the land). All the documents of the transfer of abstract of title are available on its new owners and it has been documented.

	<b>Status: COMPLY</b>	
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**PRINSIP #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.**

PT TGK and the smallholder groups have composed the production budget plan for the next 3 years (2015, 2016 and 2017). The document is annually updated. Furthermore, the company employ 1 assistant and 4 regional coordinators for improving the service and guidance to the smallholders. The Assistant of scheme smallholder and the regional Coordinator conducts daily guidance like the target and work program monitoring, FFB production and quality monitoring, daily harvesting circle, manuring monitoring, socialization to the smallholder groups. The company has held routine assembly or the coordination with the smallholder groups routinely. It is attended by the Manager, Assistant of scheme smallholder, smallholder groups and the smallholders. It discusses the operational work plan. The work plan and training realization of the company to the smallholders are available.

	<b>Status: COMPLY</b>	
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**PRINCIPLE #4 USE OF APPROPRIATE BEST PRACTICES BY SCHEME MANAGER**

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

The smallholder has had the SOP held by each regional Coordinator. The SOP is composed based on the SOP approved by PT TGK Estate Manager. It has been socialized to all smallholders. The existed operational SOPs are the SOP of manuring, SOP of Spraying and SOP of harvesting.

The smallholder groups have had the record of crucial programs. For example:

- According to the information from the Assistant of scheme smallholder, the seed planted in Ungkaya Scheme Smallholder is the identical seed planted by PT.TGK (provided by the company). The seed planted in period of 1989 – 1997 is the seed admitted by the government (Marihat Seed). There is no seed distribution nor preparation for the new planting nor replanting program during the assessment program.
- The manuring program is recorded in each smallholder group on the daily book of smallholder which describes the type of fertilizer, amount of fertilizer and the month of application. For example, smallholder group of Lambelu II used fertilizer for 39 Ha of land area. They used 10,608 Kg of Urea on January 2014, they used 10,608 Kg of SP36 on April 2014, they used 10,608 Kg ZA on August 2014 and they used 10,608 Kg of NPK on December 2014.
- PT TGK has had the record for each daily harvesting program conducted by the smallholders on the document of the

FFB receipt book. It describes the name of the smallholder group, number of the smallholder, FFB output and FFB nett weight brought per smallholders, amount of loosen fruit.		
	<b>Status: COMPLY</b>	
<b>4.2</b>		
<b>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</b>		
PT TGK does not distribute the fertilizer to the smallholders. The fertilizer are provided by each smallholder group or each smallholder. The smallholder groups cooperate with PT TGK in term of the fertilizer quality.		
The management unit shows the record of production in the last 3 years for each smallholder group. It describes the number of smallholder, area hectare and total of production. The record shows the production total during period of 2012, 2013 and 2014 in Ungkaya Scheme Smallholder as follows: 126,854.24 ton in 2012; 126,673.57 ton in 2013; 117,241.01 ton in 2014.		
According to the information from the assistant of scheme smallholder, the accumulation of the production of each smallholder cause the production data of each smallholder group is not recorded. The smallholder groups and the company need to cooperate to record the estate operations including the production in the last 3 years. The smallholder groups do not use organic fertilizer to increase the soil fertility on the site.		
	<b>Status: COMPLY</b>	
<b>4.3</b>		
<b>Practices minimise and control erosion and degradation of soils.</b>		
Several attempts conducted by the company to reduce and control the soil erosion and degradation:		
<ul style="list-style-type: none"> <li>According to the document of EIA (1994), the slope on the smallholder groups area are varied from the flatland (0-3%) to the wavy land (25-40%). It is supported by the information from the staff of PT. Tamaco Graha Krida (P Untung). The location in Masara is a wavy area.</li> <li>According to the information from the staff of PT. TGK (P Untung &amp; P Amzar), the land clearing is conducted by PT TGK by creating terrace on the slope area. It is supported by the photographs of terrace making program in block Masara. The next management is authorized to the smallholders during the TM-1.</li> <li>According to the information from the staff of PT. TGK (P Untung &amp; P Amzar), the planting year on the scheme smallholder area is consisted of the planting year on 89/90 to 96/97. Therefore, there is no immature plants.</li> <li>According to the document of EIA (1994), the type of the analysis area is constituted by several scheme smallholder area. There are 6 type of soils. For example, Aluvial Eutrik; Gleisol Eutrik; Kambisol Eutrik; Kambisol Gleik; Kambisol Kromik and Mediteran Kromik. PT. TGK (Nucleus) has the result of tanah tinjau soil survey with the result of 3 SPT consisted of 2 type of soils (Inceptisol and Ultisol). There is no peatland and lowland area.</li> </ul>		
	<b>Status: COMPLY</b>	
<b>4.4</b>		
<b>Practices maintain the quality and availability of surface and ground water</b>		
Several practices to maintain the water quality and availability (surface and underground water):		
<ul style="list-style-type: none"> <li>According to the EIA document (1994), there are several scheme smallholder area which have cliff and passed by river.</li> <li>The management of scheme smallholder is not able to show the procedure to manage the slope and riparian area.</li> <li>The company has had the record of RSPO socialization to the smallholders on June 25th 2014. It was attended by the staff of PT. TGK (Nucleus), Chief of Village, scheme smallholder regional coordinator, scheme smallholder clerk, military organization for village, the Heads and secretaries of 28 smallholder groups.</li> <li>The management of scheme smallholder has the record of RSPO socialization on September 26th 2014 to the Sumber Rezeki Smallholder Groups I. It was attended by 33 participants. However, there is no proper evidence of the socialization of soil and water conservation attempts.</li> </ul>		

- The management unit has the document of scheme smallholder HCV photographs like in riparian area to preserve the surface water (river and irrigation).

**OFI:**
**PT TGK need to hold the socialization in term of the procedure of riparian management.**

The records of fertilizer and pesticide usage are written on the daily book of the smallholder. It describes the amount of fertilizer and pesticide usage. For example, smallholder group of Lambelu II used fertilizer for 39 Ha of land area. They used 10,608 Kg of Urea on January 2014, they used 10,608 Kg of SP36 on April 2014, they used 10,608 Kg ZA on August 2014 and they used 10,608 Kg of NPK on December 2014 and smallholder group of Anontolufu used pesticide for 16 Ha of land area. They used Noxzone 26 L of Noxzone (herbicide) on March 2014 and 30 L of Noxzone on September 2014.

PT TGK need to re-ensure that the record of the use of fertilizer and pesticide in the smallholder groups must available. **(OFI)**

	<b>Status: COMPLY</b>	
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**4.5**
**Pests, diseases, weeds and invasive introduced species are effectively managed through using appropriate Integrated Pest Management (IPM) techniques.**

The smallholder group is able to show the report of the result of pest and disease monitoring and or control. According to the document review and field visit, there is no pest and disease attack. Furthermore, the smallholders also have known the type of the pest and disease as well as the must-conducted actions (based on the interview). The company also has held training programs for the smallholders.

	<b>Status: COMPLY</b>	
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**4.6**
**Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use, and if agrochemicals, which were categorised as World Health Organisation Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, were used, growers are actively seeking to identify alternatives, and this is documented.**

According to the result of document review and interview with the smallholders, the smallholders has committed to stop the use of paraquat. PT TGK has held training/socialization of pesticide usage (spraying) on December 12th 2014 to the smallholders in term of the safety work procedure. It is supported by the knowledge shown by the smallholders (method, dosage and time of usage).

According to the result of interview with the smallholder Assistant, there is no issue of employees poisoning till the assessment. It shall be verified further on the field visit. PT TGK has cooperated with the smallholder group in order to monitor the occurred work accident.

The provision of pesticide by each smallholder group or smallholder. The management unit does not distribute the agrochemicals. According to the result of document review and the field visit, the smallholder group is not able to show the properness of the employee's PPE. **NC No. 2015.02**

Verification on 07 July 2015

Scheme manager of Ungkaya Plasma communicate to the Spraying team through each region coordinator regarding PPE usage properly. Notification letter (No. Surat: 107/TGK-UKP/VI/2015, 29 Juni 2015) has been issued from scheme manager.

Due to this corrective action, Nonconformity No. 2015.02 stated CLOSED WITH OBSERVATION and it will be re-verified during next assessment.

	<b>Status: COMPLY</b>	
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**4.7**
**An occupational health and safety plan is documented and effectively communicated and implemented**

PT TGK does not have guideline to handle the OHS for smallholders. **NC No 2015.14**

The procedure of OHS has been socialized in several momentum like the socialization of fire control simulation, socialization of replanting, OHS safety briefing, RSPO on October 16th 2014 in Bukit Makarti Smallholder Group estate. It was attended by 38 participants. **NC 2015.14 is Closed.**

The smallholder group has shown the record of agronomy safety work practice (the use of high quality seed, water and soil conservation, IPM, pesticide and fertilizer recommendation). The training was held on regional coordinator IV of Karya Subur Smallholder Group in Ambunu Village, West Bungku Sub-District. It was attended by 48 smallholders on April 11th 2015. It was taught by the scheme smallholder senior Assistant.

PT TGK and smallholder group is not able to show the work accident monitoring. **NC No. 2015.15**

*Auditor observation over the corrective action:*

PT TGK and the smallholder group has monitored the work accident. For example, there is no work accident in all smallholder groups on March 2015. **NC 2015.15 is Closed.**

According to the interview with the Bumi Persada Smallholder Group, there is no work accident occurred till the assessment program.

The management unit shows the record of assembly between PT TGK and the smallholders to discuss the OHS, safety work practice, socialization of OHS, PPE, Zero burning, HCV for Ungkaya Smallholders of PT TGK on April 11th 2015 in Karya Subur Smallholder Group estate (regional coordinator IV) on 8 a.m till over. It was attended by 48 participants consisted of smallholders, Heads of smallholder groups. It was taught by the staff of PSQM (attendance list and photographs are available).

The smallholder groups are not able to show the evidence of the PPE properness for workers/smallholders. **NC No.2015.02 Minor 4.6.4 and Minor 4.7.4**

Verification on 07 July 2015

Scheme manager of Ungkaya Plasma communicate to the Spraying team through each region coordinator regarding PPE usage properly. Notification letter (No. Surat: 107/TGK-UKP/VI/2015, 29 Juni 2015) has been issued from scheme manager.

Due to this corrective action, Nonconformity No. 2015.02 stated CLOSED WITH OBSERVATION and it will be re-verified during next assessment.

**Status: COMPLY**

**4.8**
**All staff, workers, smallholders and contractors are appropriately trained**

The management unit shows the training program for period of 2015 for all smallholders. It was held by PT TGK. The training programs are the harvesting training, manuring training, spraying training, RSPO socialization, grading, fire team socialization, contamination prevention socialization, general OHS socialization, HCV socialization and endanger flora and fauna socialization.

The management unit shows the record of assembly between PT TGK and the smallholders which discuss the OHS and program procedure. For example, the assembly on April 11th 2015 in Karya Subur Smallholder Group estate (regional coordinator IV). It was led by staff of PSQM to 48 smallholders in term of the use of PPE to the OHS in scheme smallholder.

**Status: COMPLY**

**PRINCIPLE #5 ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY**
**5.1**

**Aspects of plantation and mill management which have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.**

PT TGK has several attempts to reduce/prevent the negative impacts over the environment:

- PT. Tamaco Graha Krida has EIA document which was approved by the Central EIA Commission in document No. 011/ANDAL/BA/IV/95 on April 1995. The document of EIA covers the reserve area for 15,000 ha (several scheme smallholder area in northern location bordering with sea) in Morowali District.
- The location of scheme smallholder is beyond the scope of EIA analysis (1995). For example, Block Bumi Harapan to Block Ambunu in southern site (2,676 Ha); Block Atananga to Block Samarenda in eastern location (244 Ha).
- The management of scheme smallholder has the record of RSPO socialization. It was attended by 33 participants on September 26th 2014 to the Sumber Rezeki I Smallholder Group.
- PT. TGK (Own Estate) has the record of routine environmental management and monitoring reporting (each semester). However, the scope is only covering the nucleus location.

**Status: COMPLY**

**5.2**

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

Ungkaya Scheme Smallholder has identified the environment impact, HCV and social aspect on January 2015. The result of the analysis has been socialized via the Head of regional Coordinator and via the smallholder groups. The analysis contains the aspect of environment. For example, the identification of the endanger species, estate boundary, river existence, erosion, HCV and environmental management and monitoring effort. Ungkaya Scheme Smallholder has socialized the flora and fauna within and nearby estate. It was socialized on April 11th 2015 in Ungkaya Scheme Smallholder.

According to the result of interview with the smallholder groups of Lambulu I, Lambulu II and Limbo Makmur I, the smallholders are able to describe the name of the endanger animals. For example, Maleo (*Macrocephalon maleo*), Black Eagle (*Ictinaetus malaiensis*), Hornbill (*Bucerotidae*), Mignot Buffalo, etc. The type of the endanger flora are the *Rizhophora*, *Phoebe*, *Gonystylus bancanus*, *Agathis dammara*, etc.

PT TGK (Ungkaya Estate) has appointed Mr. Sabran Bahi (No. 325/SKP/UK/II/2015) as the HCV monitoring Officer in Ungkaya Scheme Smallholder estate on February 2nd 2015. The task is to manage and monitor the HCV area including the endanger species as well as conducting coordination with the regional Coordinator and smallholder groups.

**Status: COMPLY**

**5.3**

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

According to the result of document review of the SOP of hazardous waste handling (709/TQEM-ESH/10). The agrochemicals waste are collected and are transported to the licensed hazardous waste storage.

According to the result of interview with the smallholders, the pesticide containers are collected and are transported to the licensed hazardous waste storage in Ungkaya Mill.

According to the result of interview with the Head of Bumi Persada Smallholder Group, there is no complaint expressed by the community in term of the waste disposal.

	<b>Status: COMPLY</b>	
<b>5.4</b> <b>Efficiency of energy use and use of renewable energy is maximised.</b>		
<ul style="list-style-type: none"> <li>The smallholders use only the human resource to maintain plants and harvest the FFB.</li> <li>The smallholders use personal vehicles and collective vehicles to transport FFB.</li> </ul>		
	<b>Status: COMPLY</b>	
<b>5.5</b> <b>Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.</b>		
<ul style="list-style-type: none"> <li>The management of scheme smallholder shall conduct replanting program in July 2015 (staff information).</li> <li>The management of scheme smallholder has SOP of Zero Burning for dealing with the land preparation program (Policy No. 21/TGK-UKP/2014). For example, the manual method of land clearing such as push and fell, chipping, stacking, poling and digging.</li> <li>The management of scheme smallholder has the record of socialization of zero burning principle on October 15th 2014. It was attended by the Bukit Makarti Smallholder Group.</li> <li>The management of scheme smallholder has SOP of Ungakaya Scheme Smallholder fire control. It was composed on September 15th 2014. It contains the procedure of land fire team forming in each smallholder group, identification of the water source as well as its maintenance and preservation, inventory of the fire potential area, installing the fire potential signboards Penanggulangan Kebakaran Plasma Ungkaya yang disusun tanggal 15 September 2014 yang memuat prosedur, preparing the fire control equipments.</li> <li>The management of scheme smallholder has the record of fire control socialization and training.</li> <li>The management of scheme smallholder has the emergency response organization structure as well as the fire extinguishing equipments and facilities in 4 regional coordination station.</li> </ul>		
	<b>Status: COMPLY</b>	
<b>5.6</b> <b>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</b>		
<p>According to the result of pollution source identification at the scheme smallholder composed by PT TGK, the document of the list of environment aspect and its control are described. The identified pollution sources are the residue of the estate operationals and the impacts potential. There are several pollution reduction implementation conducted by the company. For example, optimizing the capacity of the FFB truck to reduce the petroleum fuel consumption, fertilizer usage based on the recommendation, the use of the allowed pesticide (allowed by the associate agency), waste management, water and electricity retrenchment.</p>		
	<b>Status: COMPLY</b>	
<b>PRINCIPLE #6 RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES AFFECTED BY SCHEME SMALLHOLDER</b>		
<b>6.1</b> <b>Aspects of plantation and mill management 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 continuous improvement.</b>		

Ungkaya Scheme Smallholder has conducted the analysis of environment impact identification, HCV and social aspect. The result of the analysis has been socialized via the Head of regional coordinator and the smallholder groups on January 2015.

The analysis contains:

- Aspect of Social: estate location, lease of the customary land for estate, custom locals, land ownership, estate boundary, reporting of estate to regional government, positive and negative impacts caused by estate establishment.
- Attempts of the social aspect monitoring and management: social management in term of the previous questions.

The result of the analysis is maintained by the regional Coordinator and smallholder groups. For example, it is maintained by the Head of Lambelu II Smallholder Group, Lambelu III Smallholder Group and Limbo Makmur I Smallholder Group.

#### **NC No. 2015.05**

PT TKG is not able to show that all smallholders (Ungkaya Scheme Smallholder) agree to implement and comply the social impact management based on the company EIA document including the uncovered analysis area.

<b>Minor 6.1.2</b>	<b>Status: COMPLY</b>	
<b>Minor 6.1.3</b>		

#### **6.2** **There are open and transparent methods for communication and consultation between growers and/or mills, local communities and other affected or interested parties.**

Each of the smallholder group communicates and consult with the member. The communication and consultation are conducted formally and non-formally. The formal communication and consultation is conducted at the smallholder group base came. The communication and consultation are conducted to discuss the fertilizer purchase and FFB transport cost and etc. According to the information from several smallholder groups like smallholder groups of Lambelu II, the base camp for holding communication and consultation is on the house of Rojiun family and the base camp for holding communication and consultation of smallholder group of Limbo Makmur is on the house of Rianto family. The record of consultation and communication including its responses are stored in the house of each Head of smallholder group.

According to the result of interview with the Assistant of scheme smallholder, the PIC for consulting and communicating with the stakeholders like the government agencies, etc is the Assistant of scheme smallholder, the PIC for communicating and consulting with the smallholders s the regional Coordinator and the Head of smallholder group who in charge to consult and communicate with the members and stakeholders if needed.

	<b>Status: COMPLY</b>	
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#### **6.3** **There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.**

Ungkaya Scheme Smallholder has had system to receive the complainst as written on the SOP of complaint handling. The procedure describes that all incoming complaints to be responded and solved. According to the result of interview with the smallholder groups of Lambelu II, Lambelu III and Limbo Makmur I, the complaint expressed by the member or stakeholders is discussed on the internal meeting. However, the unsolved one shall be solve by involving the associated stakeholders. According to the interview with the Assistant of scheme smallholder, the smallholder groups of Lambelu II, Lambelu III and Limbo Makmur I, there is no big dispute between the smallholder groups and the nucleus estate (Ungkaya Estate), the piece of cake issues can be solved in forum.

	<b>Status: COMPLY</b>	
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#### **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.**

According to the result of interview with the smallholder groups of Makarti Jaya, Bumi Persada, Bukit Makarti, Bintang Timur, Lambelu II, Lambelu III, Limbo Makmur I, Karya Subur, Monsombu Jaya II and Padi Jaya, there is no land compensation on the Ungkaya Scheme Smallholder due to the location status (program of PirTrans and GeneralTrans) which have achieved

the abstract of title. Furthermore, there is no traditional land within the Land Use Title (HGU). It is supported by the information from Morowali District National Land Agency and Forestry and Plantation Agency.		
	<b>Status: COMPLY</b>	
<b>6.5</b>		
<b>Wage and conditions for employees and for employees of contractors always meet at least legal or minimum industry standards and are sufficient to meet basic needs of personnel and to provide some discretionary income.</b>		
According to the result of interview with the Head of Bumi Persada Smallholder Group, the land owner has paid the wage based on the record on the book of finance which informs the amount of the achieved FFB. The book of record is given to the each group. It contains the data of the harvesters, date, gross tonnage, penalty, nett tonnage. The overall amount is then divided with the number of smallholders. Furthermore, there is an information of the agreed deduction like the premium, transportation cost and fertilizer.		
According to the result of interview with the Head of Bumi Persada Smallholder Group, there is no agreement of the promotion as permanent employees due to the reckless administration and oral agreement only. <b>(NA)</b> .		
	<b>Status: COMPLY</b>	
<b>6.6</b>		
<b>The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</b>		
According to the result of interview with the Head of Bumi Persada Smallholder Group of Ungkaya Scheme Smallholder, there is no prohibition for the workers and contractor to be the member of labour union.		
	<b>Status: COMPLY</b>	
<b>6.7</b>		
<b>Child labour is not used. Children are not exposed to hazardous working conditions. Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes.</b>		
According to the result of interview with the Head of Bintang Timur Smallholder Group, there is no underage workers employed by. The smallholders have aware of the minimum age requirement.		
	<b>Status: COMPLY</b>	
<b>6.8</b>		
<b>The employer shall not engage in or support discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age.</b>		
According to the result of interview with the Head of Bumi Persada Smallholder Group, there is no discrimination on the company operational regarding the tribes, religions, race and group.		
	<b>Status: COMPLY</b>	
<b>6.9</b>		
<b>A policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.</b>		
The regional Coordinator is not able to show enough evidence over the ownership of the document or appeal against the prevention over sexual harassment on women and the reproduction right protection is not yet implemented. <b>NC No. 2015.06 of 6.9.1 Major.</b>		
<i>Auditor observation over the corrective action:</i>		
<b>June 10th 2015</b>		
Evidence of the informed corrective action is in form of the official record of the SOP handover to the smallholder group in term of the women rights. The official record was composed on May 8th 2015. It was given to each regional Coordinator.		
<b>The NC is considered CLOSED WITH OBSERVATION</b> and it shall be verified on the next assessment.		
	<b>Status: COMPLY</b>	
<b>6.10</b>		



**Scheme managers deal fairly and transparently with smallholders and other local businesses.**

According to the result of interview with the smallholder groups of Makarti Jaya, Bumi Persada, Bukit Makarti, Bintang Timur, Lambelu II, Lambelu III, Limbo Makmur I, Karya Subur, Monsombu Jaya II and Padi Jaya, each smallholder groups has internally evaluated the agreement with the nucleus estate. The FFB pricing is conducted by Central Sulawesi Province Plantation Agency. According to the meeting with the parties consisted of the Head of Trade Agency, the Head of Industrial & Cooperative Unit Agency, the representatives of smallholder and the representatives of each estate company.

Ungkaya Scheme Smallholder was invited by the Central Sulawesi Province Plantation Agency on April 10th 2015 (Letter No. 525/10-04/D3.P2.HP.Disbun) in term of the invitation to be the FFB pricing team on Wednesday, April 15th 2015 in the meeting hall of Central Sulawesi Province Plantation Agency. PT TGK Ungkaya Estate (nucleus) has paid the FFB payment contract on time (date of 5th – 10th of each month).

It is supported by the result of interview with the Heads of smallholder groups of Lambelu II, III and Limbo Makmur I.

**Status: COMPLY**

**6.11**
**Scheme manager contribute to local sustainable development wherever appropriate.**

According to the result of interview with the smallholder groups of Limbo Makmur I, Lambelu II and Lambelu III, the smallholder groups also contribute the regional development in each villages. The collected dues given by the member is used for the mosque construction, islamic education center, etc. Furthermore, the smallholder groups also maintain the access road to each estate so it can also passed through by the civilians to the estate. The smallholder groups create job opportunity for the locals to work as harvesters, maintenance workers, and FFB transporter.

**Status: COMPLY**

**PRINCIPLE #7 RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS**
**7.1**
**A comprehensive and participatory independent social and environmental impact assessment is conducted prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.**

As an attempt to management the environment impacts caused by the company operationals, the company has document of environment impact assesment. It was composed on 1995 for the scope of nucleus estate (PT. TGK) and PIR-TRANS scheme estate. There is no estate expansion nor replanting within Ungkaya Scheme Smallholder area.

**Status: NOT APPLICABLE**

**7.2.**
**Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.**

- There is no new agreement (171 smallholder groups which involve 5,005 smallholders for 5.369 Ha) in term of the new estate establishment/development or new operation to extend the existed estate.
- According to the information from the staff (P Amzar), there was a new estate establishment conducted by the smallholder group. However, it beyond the 5,369 Ha area.

NOT APPLICABLE

**Status: NOT APPLICABLE**

**7.3**
**New plantings since November 2005 (which was the date of adoption of these criteria by the RSPO membership), have not replaced primary forest or any area containing one or more High Conservation Values.**

*Not Applicable*

There is no new planting since November 2015. The latest planting year of scheme smallholder was in 1995.

**Status: NOT APPLICABLE**

**7.4**
**Extensive planting on steep terrain, and/or on marginal and fragile soils, is avoided.**

- There is no new agreement (183 smallholder groups which involve 5,250 smallholders for 5.859 Ha) in term of the new estate establishment/development or new operation to extend the existed estate.
- According to the information from the staff (P Amzar), there was a new estate establishment conducted by the smallholder group. However, it beyond the 5,859 Ha area.

NOT APPLICABLE

Status: NOT APPLICABLE

#### 7.5

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

*Not Applicable*

There is no new planting since November 2015. The latest planting year of scheme smallholder was in 1995.

Status: NOT APPLICABLE

#### 7.6

**Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.**

*Not Applicable*

There is no new planting since November 2015. The latest planting year of scheme smallholder was in 1995.

Status: NOT APPLICABLE

#### 7.7

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

*Not Applicable*

There is no new planting since November 2015. The latest planting year of scheme smallholder was in 1995.

Status: NOT APPLICABLE

### PRINCIPLE #8 COMMITMENT TO CONTINUOUS IMPROVEMENT IN KEY AREAS OF ACTIVITY

#### 8.1

**Scheme managers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.**

PT TGK and regional Coordinator are not able to show the plan of corrective action based on the social and environment impacts which is composed with the regional Coordinator. **NC No. 2015.07. Major**

*Auditor observation over the corrective action:*

**July 7<sup>th</sup>, 2015**

Ungkaya Scheme Smallholder management unit shows the evidence of the training period for Ungkaya Scheme Smallholder for period of 2015. There are several crucial training aspects for the smallholders. For example, Block Harvesting System, Block Spraying System, Block Manuring System, High Conservation Value, Soil and Water Conservation, OHS, IPM, Fire Extinguishing Training, Zero Burning Implementation. The training shall be held on March, April and September 2015 based on the training period.

**The NC is considered CLOSED WITH OBSERVATION** and it shall be verified on the next assessment.

Status: COMPLY

**3.2 Summary of Assessment Report of Supply Chain Requirements**

Clause	(Module E) CPO Mills - Mass Balance Requirements
<b>E.1</b>	<b>Definition</b>
<b>E.1.1</b>	<p><b>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.</b></p> <p>Ungkaya Mill implemented MB supply chain models due to the fact that Ungkaya Mill processes the FFB from the certified estate (own estate and scheme smallholder) and from non-certified estate (outgrower). The claim for the certified products (CPO and PK) produced by Ungkaya Mill is only for the volume of the certified estate.</p> <p><b>Status: COMPLY AS REQUIRED</b></p>
<b>E.2</b>	<b>Explanation</b>
<b>E.2.1</b>	<p><b>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&amp;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.</b></p> <p>PT Mutuagung (CB) has verified the volume of the certified FFB, CPO and PK on the attachment of RSPO certificate as. The information of the volume of the certified products is attached on the Basic Info of Public Summary Report of RSPO. Meanwhile, the company is also monitored annually (ASA) to ensure the production of FFB, CPO and PK comply the claim of the certified on the previous certificate attachment.</p> <p>According to the Annex Certificate of Ungkaya Mill period 10 July 2014 – 9 July 2015 is:  FFB Production: 69,260.17 MT; CSPO Production: 16,276.14 MT; CSPK Production: 3,435.30 MT  Meanwhile, actual certified production upto ASA-3 Audit within period 10 July 2014 – 4 May 2015 is:  FFB Production: 37,204.54 MT; CSPO Production: 8,273.74 MT; CSPK Production: 1,833.20 MT</p> <p><b>Status: COMPLY AS REQUIRED</b></p>
<b>E.2.2</b>	<p><b>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).</b></p> <p>Ungkaya POM is updating the certified product via RSPO e-Trace regularly. The process of updating is conducted by the representative of Sime Darby Plantation Representative Indonesia in Jakarta.</p> <p><b>Status: COMPLY AS REQUIRED</b></p>
<b>E.3</b>	<b>Documented procedures</b>
<b>E.3.1</b>	<p><b>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:</b></p> <ol style="list-style-type: none"> <li><b>Complete and up to date procedures covering the implementation of all the elements in these requirements;</b></li> <li><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.</b></li> </ol>

The procedure implemented by Ungkaya POM on its RSPO Supply Chain is the on its site as the reference over the RSPO Supply Chain Requirements version November 2014. Ungkaya POM has implemented Mass Balance Model.

Task and responsibility of the personel on the supply chain implementation are:

Description of the Mill Manager tasks:

- Keeping and maintaining all documents, records or notes of the usage of all raw materials and supporting materials used on the production process and ultimate product quality.
- Verification of the status of the product sent to the vendee by signing the official record of the product dispatch with the vendee.

Description of the Assistant of PSQM tasks:

- Conducting FFB quality control (grading) in mill and composing daily recapitulation.
- Monitoring the palm product dispatch and load/unload as well as witnessing the compilation of official record of CPO and Palm Kernel dispatch.

Description of the Foreman/Assistant of laboratory tasks:

- Analyzing and testing the product and raw material quality in all mill production process stages.
- Keeping, maintaining and distributing the result of raw material and product analysis to the stakeholders.

Description of the Assistant/Bulking Manager tasks:

- CPO and PK product transport from POM to bulking station.
- CPO and PK handling and storage in bulking station.

**Status: COMPLY AS REQUIRED**

### E.3.2

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

Documented procedure for receiving material (Certified and non-Certified FFB's) is in place, there is no significant change under the procedure. Sample of records during receiving FFB's as follows:



**PT. MUTUAGUNG LESTARI**  
**PKS UNGKAYA**  
 Certificates No: PKS UNGKAYA New Ungkaya, Kec. Wita Ponds Kabupaten Marauw Sulawesi Tengah  
 TEL: 0811444240

**BERSERTIFIKAT RSPO**

Supplier : E439 - UNGKAYA DIT1  
 Transporter : E439 - E-UNGKAYA  
 Product : 0001 - FFB A CRDP (< 24 JAM)  
 Vehicle No : 0N92130H  
 Driver Name : NUR MUHAMMAD  
 Driver IC :  
 O.D No : 43915001757  
 Remarks :  
 Seal No :

Date : 05/05/2015  
 Time : 16:25:48  
 First Weight : 3,850kg  
 Second Weight : 3,450kg  
 Deduction Wt : 0 kg  
 Net Weight : 6,480 kg  
 Supplier Weight : 6,420 kg

Dr	Field	Harvest Date	Rds	Bunches C/R	L/T	Grd Wt (kg)	Est ADW	Hd Wt (kg)	Est ADW
3	92E004	05/05/2015	9.00	96.00	R	N	1,500	15.63	1,495
3	92E006	05/05/2015	9.00	66.00	R	N	1,500	22.06	1,495
3	94E005	05/05/2015	9.00	224.00	R	N	3,420	15.27	3,409
<b>Total</b>			<b>288</b>	<b>386</b>			<b>6,420</b>		<b>6,480</b>

Weighting Operator : [Signature]  
 Driver : [Signature]  
 Certified by : [Signature]

Name: 54750-9430Y RAYNOLDO BEDULANG  
 Name: NUR MUHAMMAD  
 Name: SUKORO



MINAMAS PLANTATION  
PKS UNGKAYA

Certificate No: PKS UNGKAYADesa Ungkaya, Kec. Wita PondokKabupaten MorowaliSulawesi Tengah  
TEL: 0811444240

FFB Received  
Ticket: 194773

Supplier : P508100001 - Sakana  
Transporter : E440 - E-UNGKAYA PLASMA  
Product : 0001 - FFB A CROP (< 24 JAM)  
Vehicle No : DN8680GB  
Driver Name : ETUS  
Driver IC :  
D.O No : 50815007582  
Remarks :  
Seal No :

Date : 05/05/2015  
Time : 15:36:44  
First Weight : 9,390 kg  
Second Weight : 2,100 kg  
Deduction Wt : 0 kg  
Nett Weight : 6,210 kg  
Supplier Weight : 4,910 kg

Post Date: 05/05/2015  
Depart Time: 14:35:00  
Arrival Time: 15:20:00

IDV	Field	Harvest Date	Rds	Bunches C/R	L/F	Estate Wt (Kg)	Est ARW	Mul Wt (Kg)	Act ARW
1	P50891C20	05/05/2015	9,00	203,00 R	H	4,910	24,19	6,210	30,59
Total:			203	4,910		6,210			

Weightbridge Operator: Name: 04759-FAJNY RAYMALDO BIDULANG  
Driver: Name: ETUS  
Certified by: Name: SUKINO

**NON SERTIFIKAT RSPO**

Assumed during ASA-3 audit, Ungkaya Smallholders are not yet certified.

**Status: COMPLY AS REQUIRED**

### E.4 Purchasing and goods in

#### E.4.1

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

Ungkaya Mill have an updating the monthly summary of certified and non-certified FFB received, where at that time Ungkaya Smallholders are not yet certified. The summary report shown as below:

PT.TAMACO GRAHA KRIDA  
PKS UNGKAYA

**Monthly summary of sustainable FFB, CPO & Kernel**  
(Periode 10 Juli 2014- 4 Mei 2015)

Month	FFB Received (Ton)			Total FFB Processed (Ton)	CPO Production (Ton)				Kernel Production (Ton)				Delivered CPO			Delivered Kernel		
	Sustainable	Non sustainable	Total		Sustainable	Non sustainable	Total	OER (%)	Sustainable	Non sustainable	Total	KER (%)	Sustainable	Non sustainable	Total	Sustainable	Non sustainable	Total
Jul 2014	2,903,250	5,490,390	8,393,680	8,505,971	665,365	1,211,412	1,876,777	22.06	146,671	267,039	413,710	4.86	864,836	1,635,485	2,500,321	105,963	200,387	306,350
Agust 2014	5,709,770	7,022,220	12,731,990	12,500,480	1,209,520	1,550,405	2,759,925	22.08	270,214	346,369	616,583	4.93	1,121,560	1,379,362	2,500,922	490,477	603,219	1,093,696
Sept 2014	3,199,370	5,683,310	8,882,680	8,997,640	736,667	1,262,831	1,999,498	22.22	169,266	289,849	459,115	5.10	900,492	1,599,620	2,500,112	323,480	574,626	898,106
Sub Total (Kg)	11,812,430	18,195,920	30,008,350	30,004,091	2,611,552	4,024,648	6,636,200	22.12	586,151	903,257	1,489,408	4.96	2,886,888	4,614,467	7,501,355	919,921	1,378,231	2,298,152
(%)	39	61	100		39	61	100		39	61	100		38	62	100	40	60	100
Oket 2014	2,945,330	6,894,320	9,839,650	9,900,990	675,066	1,547,931	2,222,997	22.45	155,457	356,464	511,921	5.17	-	-	-	-	-	-
Nov 2014	3,781,850	7,932,000	11,713,850	11,598,940	832,627	1,801,066	2,633,693	22.71	193,243	418,007	611,250	5.27	807,153	1,692,912	2,500,065	226,033	474,079	700,112
Des 2014	4,417,790	9,038,850	13,456,640	13,457,680	956,385	1,956,314	2,912,699	21.64	211,861	433,367	645,228	4.79	1,641,502	3,358,532	5,000,035	229,815	470,224	700,049
Sub Total (Kg)	11,144,970	23,865,170	35,010,140	34,957,610	2,464,078	5,305,311	7,769,389	22.23	560,561	1,207,838	1,768,399	5.06	2,448,655	5,051,445	7,500,100	455,858	944,303	1,400,161
(%)	32	68	100		32	68	100		32	68	100		33	67	100	33	67	100
Januari 2015	3,667,350	8,585,710	12,653,060	12,722,020	825,155	1,984,479	2,809,634	22.08	160,265	385,433	545,698	4.29	724,627	1,775,476	2,500,103	-	-	-
Februari 2015	2,247,300	8,824,670	11,571,970	11,587,069	618,730	1,976,619	2,595,349	22.40	125,003	399,340	524,343	4.53	593,600	1,906,718	2,500,318	166,190	533,825	700,015
Maret 2015	3,445,160	9,324,820	12,769,980	12,724,370	782,938	2,147,567	2,930,505	23.03	179,268	491,724	670,992	5.27	674,525	1,825,699	2,500,224	175,371	474,666	650,037
Sub Total (Kg)	9,859,810	27,135,200	36,995,010	37,033,389	2,226,824	6,108,664	8,335,488	22.51	464,536	1,276,497	1,741,033	4.70	1,992,753	5,507,892	7,500,645	341,561	1,008,491	1,350,052
(%)	27	73	100		27	73	100		27	73	100		27	73	100	25	75	100
April 2015	3,846,590	12,137,670	15,984,260	16,004,140	870,119	2,731,487	3,601,606	22.50	199,677	626,829	826,506	5.16	601,689	1,896,593	2,500,282	156,420	493,575	649,995
Mei 2015	540,740	742,920	1,283,660	1,180,070	101,171	171,937	273,108	23.14	22,275	37,855	60,130	5.10	-	-	-	-	-	-
Juni 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total (Kg)	4,387,330	12,880,590	17,267,920	17,184,210	971,290	2,903,424	3,874,714	22.55	221,952	664,684	886,636	5.16	601,689	1,896,593	2,500,282	156,420	493,575	649,995
(%)	25	75	100		25	75	100		25	75	100		24	76	100	24	76	100
Grand Total (Kg)	37,204,540	82,076,880	119,281,420	119,179,308	8,273,744	18,342,047	26,615,791	89	1,833,199	4,052,277	5,885,476	20	7,929,985	17,072,397	25,002,382	1,873,761	3,824,599	5,698,360
(%)	31	69	100		31	69	100		31	69	100		32	68	100	33	67	100

**Status: COMPLY AS REQUIRED**

#### E.4.2

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



According to the eTrace Report Summary on period of July 10th 2014 – July 9th 2015, the product claim determined by Ungkaya Mill is as follows:

Certified FFB: 69,260.17 MT; CSPO: 16,276.14 MT; CSPK: 3,435.30 MT.

Actual certified produced on period of July 10th 2014 – May 5th 2015 by Ungkaya Mill is as follows:

Certified FFB: 37,204.54 MT; CSPO: 8,273.74 MT; CSPK: 1,333.20 MT.

Certified product during ASA-3 assessment for Ungkaya Mill is still below the claim product of the eTrace Report.

**Status: COMPLY AS REQUIRED**

## 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.)

Ungkaya Mill have an updating the monthly summary of certified and non-certified FFB received, where at that time Ungkaya Smallholders are not yet certified. The summary report shown as below:

PT.TAMACO GRAHA KRIDA  
PKS UNGKAYA

**Monthly summary of sustainable FFB, CPO & Kernel**  
(Periode 10 Juli 2014- 4 Mei 2015)

Month	FFB Received (Ton)			Total FFB Processed (Ton)	CPO Production (Ton)				Kernel Production (Ton)				Delivered CPO			Delivered Kernel		
	Sustainable	Non sustainable	Total		Sustainable	Non sustainable	Total	OER (%)	Sustainable	Non sustainable	Total	KER (%)	Sustainable	Non sustainable	Total	Sustainable	Non sustainable	Total
Jul 2014	2,903,290	5,490,390	8,393,680	8,505,971	665,365	1,211,412	1,876,777	22.06	146,671	267,039	413,710	4.86	864,836	1,635,485	2,500,321	105,963	200,387	306,350
Agust 2014	5,709,770	7,022,220	12,731,990	12,500,480	1,209,520	1,550,405	2,759,925	22.08	270,214	346,369	616,583	4.93	1,121,560	1,379,362	2,500,922	490,477	603,219	1,093,696
Sept 2014	3,199,370	5,683,310	8,882,680	8,997,640	736,667	1,262,831	1,999,498	22.22	169,266	289,849	459,115	5.10	900,492	1,599,620	2,500,112	323,480	574,626	898,106
Sub Total (Kg)	11,812,430	18,195,920	30,008,350	30,004,091	2,611,552	4,024,648	6,636,200	22.12	586,151	903,257	1,489,408	4.96	2,886,888	4,614,467	7,501,355	919,921	1,378,231	2,298,152
(%)	39	61	100		39	61	100		39	61	100		38	62	100	40	60	100
Oket 2014	2,945,330	6,894,320	9,839,650	9,900,990	675,066	1,547,931	2,222,997	22.45	155,457	356,464	511,921	5.17	-	-	-	-	-	-
Nov 2014	3,781,850	7,932,000	11,713,850	11,598,940	832,627	1,801,066	2,633,693	22.71	193,243	418,007	611,250	5.27	807,153	1,692,912	2,500,065	226,033	474,079	700,112
Des 2014	4,417,790	9,038,850	13,456,640	13,457,680	956,385	1,956,314	2,912,699	21.64	211,861	433,367	645,228	4.79	1,641,502	3,358,532.77	5,000,035	229,815	470,224	700,049
Sub Total (Kg)	11,144,970	23,865,170	35,010,140	34,957,610	2,464,078	5,305,311	7,769,389	22.23	560,561	1,207,838	1,768,399	5.06	2,448,655	5,051,445	7,500,100	455,858	944,303	1,400,161
(%)	32	68	100		32	68	100		32	68	100		33	67	100	33	67	100
Januari 2015	3,667,350	8,985,710	12,653,060	12,722,030	825,155	1,984,479	2,809,634	22.08	160,265	385,433	545,698	4.29	724,627	1,775,476	2,500,103	-	-	-
Februari 2015	2,747,300	8,824,670	11,571,970	11,587,009	618,730	1,976,619	2,595,349	22.40	125,003	399,340	524,343	4.53	593,600	1,906,718	2,500,318	166,190	533,825	700,015
Maret 2015	3,445,160	9,324,820	12,769,980	12,724,370	782,938	2,147,567	2,930,505	23.03	179,268	491,724	670,992	5.27	674,525	1,825,699	2,500,224	175,371	474,666	650,037
Sub Total (Kg)	9,859,810	27,135,200	36,995,010	37,033,389	2,226,824	6,108,664	8,335,488	22.51	464,536	1,276,497	1,741,033	4.70	1,992,753	5,507,892	7,500,645	341,561	1,008,491	1,350,052
(%)	27	73	100		27	73	100		27	73	100		27	73	100	25	75	100
April 2015	3,846,590	12,137,670	15,984,260	16,004,140	870,119	2,731,487	3,601,606	22.50	199,677	626,829	826,506	5.16	601,689	1,898,593	2,500,282	156,420	493,575	649,995
Mei 2015	540,740	741,920	1,282,660	1,180,070	101,171	171,937	273,108	23.14	22,275	37,855	60,130	5.10	-	-	-	-	-	-
Juni 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total (Kg)	4,387,330	12,880,590	17,267,920	17,184,210	971,290	2,903,424	3,874,714	22.55	221,952	664,684	886,636	5.16	601,689	1,898,593	2,500,282	156,420	493,575	649,995
(%)	25	75	100		25	75	100		25	75	100		24	76	100	24	76	100
Grand Total (Kg)	37,204,540	82,076,880	119,281,420	119,179,300	8,273,744	18,342,047	26,615,791	89	1,833,199	4,052,277	5,885,476	20	7,929,985	17,072,397	25,002,382	1,873,761	3,824,599	5,698,360
(%)	31	69	100		31	69	100		31	69	100		32	68	100	33	67	100

**Status: COMPLY AS REQUIRED**

### E.5.2

In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.

UNGKAYA Mill does not have Kernel Crushing Plant installation.

Status: NOT APPLICABLE
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**3.3 Conformity Checklist of Certificate and Logo Use**

<b>1.</b>	<b>Evidence of permission or approval certificate and logo from Certification Body which submitted by Client</b>	<b>X or √</b>
<b>ASA-3</b>	PT TGK have a license/approval from Mutuagung Lestari as Certification Body regarding use of certification with No. MUTU-RSPO/018	√
	<b>Status: Compliance</b>	
<b>2.</b>	<b>Implementation of certificate and logo used by Client comply with size and type (shape) against Guideline of Logo Use</b>	<b>X or √</b>
<b>ASA-3</b>	Not Applicable Certificate Holder (PT TGK) are not using the RSPO logo both on-product and off-product within scope of certification.	√
	<b>Status: Compliance</b>	
<b>3.</b>	<b>Implementation of Certificate and Logo is not used on product</b>	<b>X or √</b>
<b>ASA-3</b>	Not Applicable Certificate Holder (PT TGK) are not using the RSPO logo both on-product and off-product within scope of certification.	√
	<b>Status: Compliance</b>	
<b>4.</b>	<b>Controlling of Certificate and Logo, including withdrawing inappropriate logo.</b>	<b>X or √</b>
<b>ASA-3</b>	Not Applicable Certificate Holder (PT TGK) are not using the RSPO logo both on-product and off-product within scope of certification.	√
	<b>Status: Compliance</b>	

**3.4 Summary of RSPO Partial Certification**

<b>Management unit(s) observed:</b> All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.		
<b>2.1</b>	<b>There is compliance with all applicable local, national and ratified international laws and regulations.</b>	<b>X or √</b>
	All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.	√
	<b>Status: COMPLY</b>	
<b>2.2</b>	<b>The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</b>	<b>X or √</b>
	All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.	√
	<b>Status: COMPLY</b>	
<b>6.3</b>	<b>There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.</b>	<b>X or √</b>
	All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.	√
	<b>Status: COMPLY</b>	
<b>6.4</b>	<b>Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</b>	<b>X or √</b>
	All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.	√
	<b>Status: COMPLY</b>	
<b>7.3</b>	<b>New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.</b>	<b>X or √</b>
	All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.	√
	<b>Status: COMPLY</b>	
<b>7.5</b>	<b>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.</b>	<b>X or √</b>
	All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.	√
	<b>Status: COMPLY</b>	
<b>7.6</b>	<b>Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</b>	<b>X or √</b>
	All the operating units under SIME DARBY PLANTATION and its subsidiaries have planned to conduct the certification process according to TIME BOUND PLAN.	√
	<b>Status: COMPLY</b>	

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

#### 3.5.5.1.a Finding Identification, Corrective Action and Observation during *Surveillance-03* Assessment for Ungkaya Estate

NCR No	Ref Std	Findings	Area	Grade	Deadline	Corrective Action	Observation	Status	Closed Date
2015.01	2.2.6	<b>Policy for Not Using Mercenary</b> PT TKG is not able to show the policy of the prohibition for hiring the mercenary on its operational.	<b>Estate and Mill</b>	<b>Major</b>	July 9th 2015	PT TKG must be able to show the policy of the prohibition for hiring the mercenary on its operational.	<b>Root Cause:</b> The management unit have not aware to show policy in term of the prohibition to hire the mercenary on its operational.  <b>Corrective Action:</b> The management unit of Ungkaya Estate is able to show the policy in term of the prohibition to hire the mercenary on its operational. The evidence is shown after the Closing Meeting.	Closed	May 9th 2015



**3.5.5.1.b Finding Identification, Corrective Action and Observation during Surveillance-03 Assessment for Ungkaya Smallholder scheme**

CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
2015.01	Major 1.2.1	<p><b>Type of the Publicly-Accessed Documents.</b></p> <p>The company (PT TGK) is not able to show the evidence of the information in form of the document of partnership with the other companies nor smallholder groups. For example:</p> <ol style="list-style-type: none"> <li>1. Document of decree of Forestry Ministry No. 781/VII-4/1986 dated December 30th 1986 in term of the approval paper of the forest area land reserve for estate in December 1986 perihal Surat PIR-TRANS in Central Sulawesi.</li> <li>2. Document of Agricultur Ministry Approval Paper No. 49/Kpts/KB.510/2/88 dated February 8th 1988 in term of the development of estate in PIR-TRANS scheme.</li> <li>3. Evidence of the EIA document on the smallholders group/regional coordinator.</li> </ol>	PT TGK	NC	July 9th 2015	The company (PT TGK) must be able to show the evidence of the information in form of the document of partnership with the other companies or smallholder groups.	<p><b>Root Cause:</b></p> <p>There is no evidence of the information in form of the document of partnership with the other companies nor smallholder groups.</p> <p><b>Corrective Action:</b></p> <p>The management has issued Menerbitkan Memorandum No. 003/PSQM-UM/VI/2015 dated June 1<sup>st</sup> 2015 in term of the description of scheme smallholder establishment history supported by Government and PT Tamaco Graha Krida.</p> <p><b>Preventive Action:</b></p> <p>The company shall maintain the documents/memo that have to do with that.</p> <p>Auditor observation over the evidence of corrective action:</p> <p><b>June 10th 2015</b></p> <p>The management unit of Ungkaya Scheme Smallholder informs the corrective action in form of the memorandum No. 003/PSQM-UM/VI/2015 dated June 1<sup>st</sup> 2015 in term of the description of scheme smallholder establishment history supported by Government and PT Tamaco Graha Krida. According to the memorandum, the decree of the Forestry Ministry No. 781/VII-4/1986</p>	Closed	June 22nd 2015

CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
							<p>dated December 30th 1986 is not considered as legal standing for the scheme smallholder establishment in location 1 due to the actual condition that the location 1 is hell on earth.</p> <p>Therefore, the Regional Investment Agency relocate them to the new are in Sub-Districts of Petasia, Lembo and Bungku Tengah by referring the decree No. 570/05/1L/BID II-BKPM/87 dated September 28<sup>th</sup> 1987. The area of relocation 2 gained its approval paper of the Agriculture Ministry No. 49/Kpts/KB.510/2/88 dated February 8th 1988.</p> <p>The structure of the Ungkaya Scheme Smallholder Organization is the smallholder group. However, it is managed by PT TGK. The organization structure of the scheme smallholder person in charge is the regional Coordinator. Therefore, 171 smallholder groups bow to 4 regional Coordinator. All the compliance over the RSPO standards are charged by the regional Coordinator including the distribution of EIA/environment document to each regional Coordinator.</p> <p><b>NC is CLOSED.</b></p>		
2015.02	Minor 4.6.4 Minor 4.7.4	<p><b>PPE that have to do with chemicals</b></p> <p>The Scheme Smallholder / regional Coordinator is not able to show the</p>	Smallholder Group	NC	ASA-4	The Scheme Smallholder / regional Coordinator must be able to show the	<p><b>Root Cause:</b> There is no evidence of the properness of the PPE used by smallholders.</p> <p><b>Corrective Action:</b></p>	CLOSED with Observation	July 7th 2015

CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
		evidence of the properness of the PPE used by the smallholders.				evidence of the properness of the PPE used by the smallholders.	<p>The PPE for dealing with chemicals (spraying PPE) have been given to the regional Coordinator.</p> <p><b>Preventive Action:</b></p> <p>The company shall maintain good relation with the regional Coordinator and the socialization in term of the use of PPE shall be held.</p> <p>Auditor observation over the evidence of corrective action:</p> <p><b>July 7th 2015</b></p> <p>Ungkaya Scheme Smallholder management unit informs the corrective action in form of the letter from scheme smallholder Manager in term of the PPE usage order to spayer team via each regional Coordinator (Letter No. Surat: 107/TGK-UKP/VI/2015 dated June 29<sup>th</sup> 2015).</p> <p><b>The NC is considered CLOSED WITH OBSERVATION</b> and it shall be verified on the next assessment.</p>		
2015.03	Major 5.1.1	<p><b>Document of EIA and Socialization</b></p> <p>a. The company has had EIA document. However, the scope of its analysis is not covering all scheme smallholder area. For example, Block Bumi Harapan to Block Ambunu (2,676 Ha) and Block Atananga to Block</p>	PT TGK	NC	July 9th 2015	a. The company must have EIA document which its scope covers the scheme smallholder area.	<p><b>Root Cause:</b></p> <p>The company does not have EIA document which its scope covers the scheme smallholder area including its negative impacts management.</p> <p><b>Corrective Action:</b></p> <p>Each regional Coordinator has composed the declaration letter for complying and</p>	Closed with observation	June 22nd 2015

CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
		Samarenda (244 Ha). b. PT TGK is not able to show the evidence of socialization to the smallholder in term of the EIA document and its negative impacts assessment.				b. PT TGK must be able to show the evidence of socialization to the smallholder in term of the EIA document and its negative impacts assessment	implementing environment management based on the PT TGK EIA guideline.  <b>Preventive Action:</b> Maintaining the commitment and holding the socialization to the smallholders in term of PT TGK EIA.  <i>Auditor observation over the corrective action:</i> <b>June 10th 2015</b> The corrective action is in form of the declaration letter from each regional Coordinator for complying and implementing environment management based on the PT TGK EIA guideline. The socialization is conducted by distributing the EIA document to regional Coordinator. <b>The NC is considered CLOSED WITH OBSERVATION</b> and it shall be verified on the next assessment.		
2015.04	Minor 5.1.1	<b>Environmental Impact Management</b> PT TGK is not able to show all smallholders (Ungkaya Scheme Smallholder) who agree to implement and comply the environmental impact management written on the EIA including the area which are not incorporated on the environment analysis.	PT TGK	NC	ASA-4	PT TGK must be able to show all smallholders (Ungkaya Scheme Smallholder) who agree to implement and comply the environmental impact management written on the EIA including the area which are not	<b>Root Cause:</b> PT TGK does not have the document of EIA which cover all scheme smallholder area including the evidence of socialization to th smallholders in term of the EIA and its negative impacts management.  <b>Corrective Action:</b> Each regional Coordinator has written paper for complying and implementing	Closed with observati on	June 22nd 2015

CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
						incorporated on the environment analysis	<p>environment management based on the guideline of PT TGK EIA.</p> <p><b>Preventive Action:</b> Keeping the commitment and holding socialization to the smallholders in term of he PT TGK EIA.</p> <p><i>Auditor observation over the corrective action:</i> <b>June 10th 2015</b> Evidence of the corrective action shown by PT TGK is the declaration paper of each regional Coordinator for complying and implementing the environmental management based on the guideline of PT TGK EIA. <b>The NC is considered CLOSED WITH OBSERVATION</b> and it shall be verified on the next assessment.</p>		
2015.05	Minor 6.1.1 Minor 6.1.2	<b>Social Impact Assessment</b> PT TGK is not able to show that all smallholders have agreed to implement and to comply the social impact management based on company EIA including the scheme smallholder are which are not incorporated on the analysis scope.	Estate	NC	ASA-4	Pthe company must be able to show the evidence that the social impact management of the scheme smallholder/regional Coordinator is attached on the record of environmental management and monitoring plan and is lied on the scheme	<p><b>Root Cause:</b> There is no evidence that the social impact management in scheme smallholder/regional Coordinator is attached on the record of environmental management and monitoring plan implementation and reporting as well as in the scheme smallholder / regional Coordinator. <b>Corrective Action:</b> PT TGK has distributed the Questionnaires to the smallholders over the social and</p>	Open	



CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
						smallholder / regional Coordinator.	<p>environment impacts of PT TGK over the smallholders.</p> <p><b>Preventive Action:</b> PT TGK shall always include/attach the social impact management in the scheme smallholder on the report of environmental management and monitoring plan.</p> <p><i>Auditor observation over the corrective action:</i> <b>July 7th 2015</b> Ungkaya Scheme Smallholder has informed the corrective action in form of the result of social and environment impact identification over 24 smallholder groups (sample of 87 smallholders) for 120.5 Ha. According to the result of identification, 13% of the smallholder estate are categorized good, 54% are categorized medium and 33% are categorized promiscuous. However, there is no description of each estate category. Meanwhile, there is no evidence that the result of identification has been attached on the regular report of environmental management and monitoring plan implementation.</p> <p><b>The NC is considered CLOSED WITH OBSERVATION</b> and it shall be verified on the next assessment.</p>		
2015.06	Major 6.9.1	Document or Appeal over the sexual harassment prevention The regional Coordinator is not able	Smallholders	NC	July 9th 2015	The regional Coordinator must be able to show enough	<p><b>Root Cause:</b> The regional coordinator is not able to show enough evidence over the ownership of the</p>	Closed with observati	June 22nd 2015

CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
		to show enough evidence over the ownership of the document or appeal against the prevention over sexual harassment on women and the reproduction right protection is not yet implemented.				evidence over the ownership of the document or appeal against the prevention over sexual harassment on women and the reproduction right protection is not yet implemented	document or appeal against the prevention over sexual harassment on women and the reproduction right protection is not yet implemented  <b>Corrective Action:</b> PT TGK give the SOP to the smallholder group for not conducting sexual harassment; for not conducting violence over the women and for protecting the women reproduction rights.  <b>Preventive Action:</b> The company shall socialize the negative impacts caused by sexual harassment over women.  <i>Auditor observation over the corrective action:</i> <b>June 10th 2015</b> Evidence of the informed corrective action is in form of the official record of the SOP handover to the smallholder group in term of the women rights. The official record was composed on May 8th 2015. It was given to each regional Coordinator. <b>The NC is considered CLOSED WITH OBSERVATION</b> and it shall be verified on the next assessment.	on	
2015.07	Major 8.1.1	<b>Plan of Corrective Action</b> PT TGK and regional Coordinator are not able to show the plan of	Estate	NC	July 9th 2015	PT TGK must be able to show the plan of corrective action based	<b>Root Cause:</b> PT TGK is not able to show the plan of corrective action based on the social and	CLOSED with Observat	July 7th 2015

CAR No.	Ref. Std.	Findings	Location	Grade	Deadline	Corrective Action	Observation	Status	Closing date /
		corrective action based on the social and environment impacts which is composed with the regional Coordinator.				on the social and environment impacts which is composed with the regional Coordinator	<p>environment impacts which is composed with the regional Coordinator.</p> <p><b>Corrective Action:</b> PT TGJ has composed the plan and has it socialized to the smallholders (sustainable estate management).</p> <p><b>Preventive Action:</b> PT TGK shall socialize the proper and sustainable estate management.</p> <p><i>Auditor observation over the corrective action:</i> <b>July 7th 2015</b> Ungkaya Scheme Smallholder management unit shows the evidence of the training period for Ungkaya Scheme Smallholder for period of 2015. There are several crucial training aspects for the smallholders. For example, Block Harvesting System, Block Spraying System, Block Manuring System, High Conservation Value, Soil and Water Conservation, OHS, IPM, Fire Extinguishing Training, Zero Burning Implementation. The training shall be held on March, April and September 2015 based on the training period.</p> <p><b>The NC is considered CLOSED WITH OBSERVATION</b> and it shall be verified on the next assessment.</p>	ion	

**3.5.5.2.a Opportunity for Improvement during Surveillance-03 Assessment for Ungkaya Estate**

No	Ref Std	Descriptions
1	<b>Major 2.2.4</b>	The management unit of PT TGK need to ensure that the occupied area for 79.74 Ha within the company Land Use Title (HGU) has requirements for the resolution process accepted by the involved parties ( <b>OBSERVATION</b> ).
2	<b>Major 4.4.2</b>	Ungkaya Estate management unit has opportunity to preserve the water source by conducting river water quality monitoring for the river passing through the estate which are impacted by the company operationals. For example, Mamalu and Laluria River (Ungkaya River Upstream).
3	<b>Major 4.7.2</b>	Ungkaya Estate management unit need to ensure that all PPE that have to do with chemicals application (pesticide and fertilizer) are maintained based on the applied procedure ( <b>OBSERVATION</b> ).
4	<b>Minor 5.1.2</b>	PT TGK management unit must ensure the compliance of the smallholders to follow the environment impact management by referring the company EIA document including the scheme smallholders regions which are not incorporated on the environment analysis scope.
5	<b>Major 5.3.2</b>	Ungkaya Estate management unit need to ensure that the pesticide containers are stored on the determined station based on the procedure.

**3.5.5.2.b Opportunity for Improvement during Surveillance-03 Assessment for UNGKAYA PLASMA**

No	Ref.Std	Description ( <i>Penjelasan</i> )
01	<b>Major 1.2.1</b>	PT TGK need to ensure the record of the document of candidate determination of the smallholders based on the decree of Regent and or Transmigration Agency for 5,859 Ha of scheme smallholder land (5,250 smallholders) are well maintained.
02	<b>Major 2.2.1</b>	PT TGK need to cooperate with the smallholders to ensure the copies of the smallholder ownership are well documented.
03	<b>Major 3.1.1</b>	The workplane of the production projection for the next 3 years must be written in detail according to the smallholder group/regional coordinator ( <b>Observation</b> ).
04	<b>Major 4.1.1</b>	PT TGK should improve the documentation process of the existed SOP number.
05	<b>Minor 4.1.1 Minor 4.4.2</b>	PT THK need to ensure that all fertilizer and pesticide usage in each smallholder group / regional Coordinator are available.

06	<b>Major 4.2.1</b>	Smallholder group / regional Coordinator need to cooperate with PT TGK for dealing with the fertilizer quality used by.
07	<b>Major 4.6.1</b>	Smallholder group / regional Coordinator need to ensure that the limited pesticide (paraquat) is no longer used.
08	<b>Major 4.6.3 Major 5.3.1 Major 5.3.2</b>	Smallholder group / regional Coordinator need to ensure that the ex pesticide containers incineration and storing are well managed based on the guidance of the partnership Guide.
09	<b>Major 6.2.1 Major 6.2.2 Minor 6.2.1 Minor 6.3.1</b>	Smallholder group / regional Coordinator need to ensure the communication, consultation, aspiration, regular assembly and complaint are well documented.
10	<b>Major 4.2.2</b>	Smallholder group / regional Coordinator need to cooperate with PT TGK to conduct the brief recording over the estate operations including the last 3 years production in each Smallholder group / regional Coordinator ( <b>Observation</b> ).
11	<b>Minor 5.5.1</b>	Smallholder group / regional Coordinator need to fill the blank column of list of fire extinguishing facilities in detail (number of each items and its condition).



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

Issue from Public (Agency/ NGO / Community)	Management Response	Auditor Response
<b>Forestry and Plantation Agency of Morowali District, Central Sulawesi Province</b> <ul style="list-style-type: none"> <li>- The land of scheme smallholder and nucleus estate lie on the Specific Purpose Area (APL).</li> <li>- There is a claim for 134 ha of land. However, the issue has been handled by Morowali Government. There is also a claim for 84 ha of the company Land Use Title (HGU) along with the axis road. However, the claim has no legal standing.</li> <li>- There is no customary land within the land of nucleus estate and scheme smallholder.</li> </ul>	<ul style="list-style-type: none"> <li>- The company shall coordinates with the associated agency.</li> <li>- The resolution of the claims (for 134 ha and 84 ha) on the Land Use Title (HGU) land is completed.</li> <li>- The customary site and land are not exist within the nucleus estate nor scheme smallholder area.</li> </ul>	<ul style="list-style-type: none"> <li>- PT TGK (Ungkaya Estate) has analyzed HCV on 2010. Ungkaya Scheme Smallholder also has identified the environment impact, HCV and social aspect. According to the result of analysis, there is no customary land within the company and scheme smallholder area. It has complied the criteria 2.1; 2.3; 5.2; 6.4</li> </ul>
<b>Morowali District National Land Agency, Central Sulawesi</b> <ul style="list-style-type: none"> <li>- The nucleus area of PT TGK has had Land Use Title (HGU).</li> <li>- The making of abstract of title for the scheme smallholder is running. There are 28 people proposing the making of abstract of title. However, it is not followed up by the National Land Agency yet due to the lack of employees.</li> <li>- There was a claim expressed by the community of Ungkaya Village. However, there is no its follow up due to the lack of legal standing.</li> <li>- The land of scheme smallholder and nucleus estate lie on the Specific Purpose Area (APL).</li> </ul>	<ul style="list-style-type: none"> <li>- The document of Land Use Title (HGU) of PT TGK shall be kept and maintained carefully.</li> <li>- The company shall coordinates with the National Land Agency.</li> <li>- The resolution is completed.</li> <li>- The company shall coordinate with the associated parties.</li> </ul>	<p>It has complied the criteria 2.2, 2.3, 6.4</p>
<b>Morowali District Manpower Agency, Central Sulawesi Province</b> <ul style="list-style-type: none"> <li>- The report of OHS Guiding Committee programs and the workforce mandatory report are routinely sent to the Manpower Agency.</li> <li>- There is no manpower issue. The wage has been implemented based on the minimum wage standard on 2015 for Morowali District for IDR 1,800,000 (USD 138).</li> <li>- There is no oral nor written complaints received by the</li> </ul>	<ul style="list-style-type: none"> <li>- The report of OHS Guiding Committee programs shall be reported to the Manpower Agency routinely (each quarter).</li> <li>- PT. TGK implemented Morowali District Minimum Wage Standard.</li> <li>- PT. TGK treat the employees based on the law of</li> </ul>	<p>It has complied the criteria 4.7, 6.5, 6.6</p>

Issue from Public (Agency/ NGO / Community)	Management Response	Auditor Response
Manpower Agency from the employees of PT TGK.	manpower.	
<b>Morowali District Environment Agency, Central Sulawesi Province</b> <ul style="list-style-type: none"> <li>- PT TGK reports the reports that have to do with environment management. For example, the report of environmental management and monitoring in 1st semester of 2014 was sent to the Regional Environment Agency on May 20th 2015, the report of hazardous waste balance sheet in 1st quarter of 2015 was sent on May 4th 2015.</li> <li>- PT TGK has permit of effluent utilization in estate No. 660.1/007/SK-Izin/BLHD/IV/2015, hazardous waste storage permit dated February 13th 2015 No. 600.1/003/SI/BLHD/II/2015.</li> <li>- The tests are also reported on the report of environmental management and monitoring plan routinely.</li> <li>- There is no oral nor written complaints received by Environment Agency from the workers of PT TGK and the locals in term of the environment contamination.</li> <li>- The company is able to hire the local workers and to improve the local economy with its smallholder scheme program.</li> </ul>	<ul style="list-style-type: none"> <li>- PT. TGK shall report the environmental management and monitoring plan to Regional Environment Agency routinely (each semester).</li> <li>- The company shall extend the permit once it reaches the deadline.</li> <li>- The routine tests shall always be conducted and be reported on the environmental management and monitoring plan.</li> <li>- The company shall maintain the coordination with the locals and Regional Environment Agency.</li> <li>- The company shall accept the employees from the nearby estate area.</li> </ul>	<ul style="list-style-type: none"> <li>- the report of environmental management and monitoring in 1st semester of 2014 was sent to the Regional Environment Agency on May 20th 2015, the report of hazardous waste balance sheet in 1st quarter of 2015 was sent on May 4th 2015.</li> <li>- The permit of effluent eutilization on estate No. 660.1/007/SK-Izin/BLHD/IV/2015.</li> <li>- hazardous waste storage permit dated February 13th 2015 No. 600.1/003/SI/BLHD/II/2015.</li> <li>- It has complied the criteria 5.1; 5.3,6.10;6.11</li> </ul>
<b>Villages of Lambulu, Solonsa, Solonsa Jaya, Wata, and Limbo Makmur</b> <ul style="list-style-type: none"> <li>- The company is able to hire the local workers and to improve the local economy with its scheme smallholder program</li> <li>- PT TGK also teach the proper palm oil plants cultivation guidance.</li> <li>- PT TGK concern the locals. For example, the donation of</li> </ul>	<ul style="list-style-type: none"> <li>- The company shall prioritize to accept the employees of the nearby estate.</li> <li>- The company shall teach the guidance to the smallholders as the partner of PT. TGK</li> <li>- The company shall increase the CSR assistance.</li> </ul>	<ul style="list-style-type: none"> <li>- PT TGK has composed the CSR programs for period of 2014 and 2015 by considering the need of the community based on the result of communication and consultation with the locals. The company's contributions over the local developmen in form of CSR are focused on the scholarship funding, spiritual aspect and repairment of place of</li> </ul>

Issue from Public (Agency/ NGO / Community)	Management Response	Auditor Response
annual sacrificial cattle and etc.		worship, repairment of the village road, property tax and income tax payment and establishment of Ungkaya Scheme Smallholder for 5,859 ha for 183 smallholder groups (5,250 smallholders). - It has complied the criteria 6.1;6.2;6.10;6.11

**4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY****4.1 Formal Sign-off of Assessment Findings**

Hereunder sign by management representative from inspected company and audit team to acknowledge a field assessment and agree for all content explained in this assessment report, included of nonconformities issues.

Signed on behalf of:

PT Tamaco Graha Krida  
Management Representative



**Mohamad Pirabaharan**

9 July 2015

PT Mutuagung Lestari  
Lead Auditor



**Yudwi Wisnu Rahmanto**

9 July 2015

**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	Plantation and Forestry Agency Regency of Morowali, Prov. Sulawesi Tengah	Regency of Morowali	-	Direct visit and interview	05 May 2015	√	-
2	National Land Agency Regency of Morowali, Prov. Sulawesi Tengah	Regency of Morowali	-	Direct visit and interview	05 May 2015	√	-
3	Social, Transmigration and Labour Agency, Regency of Morowali, Prov. Sulawesi Tengah	Regency of Morowali	-	Direct visit and interview	05 May 2015	√	-
4	Environmental Agency, Regency of Morowali, Prov. Sulawesi Tengah	Regency of Morowali	-	Direct visit and interview	05 May 2015	√	-
5	Villages of Lambelu, Solonsa, Solonsa Jaya, Wata, and Limbo Makmur	Village of Lambulu	-	Direct visit and interview	06 May 2015	√	-
6	Community Leader of Solonsa Village	Village of Solonsa		Direct visit and interview	05 May 2015	√	-
7	Community Leader of Solonsa jaya Village	Village of Solonsa jaya		Direct visit and interview	06 May 2015	√	-
8	Community Leader of Wata Village	Village of Wata		Direct visit and interview	05 May 2015	√	-
9	Community Leader of Limbo Makmur Village	Village of Limbo Makmur		Direct visit and interview	06 May 2015	√	-
10	Indonesia Environmental Forum (WALHI)	-	<a href="mailto:informasi@walhi.or.id">informasi@walhi.or.id</a> atau <a href="mailto:info@walhi.or.id">info@walhi.or.id</a>	Email	30 April 2015	-	√
11	WWF Indonesia	-	<a href="mailto:wwf-indonesia@wwf.or.id">wwf-indonesia@wwf.or.id</a>	Email	30 April 2015	-	√
12	Sawit Watch	-	<a href="mailto:info@sawitwatch.or.id">info@sawitwatch.or.id</a>	Email	30 April 2015	-	√



## Appendix 2. Assessment Program

<b>DATE</b> <i>TANGGAL</i>	<b>4<sup>TH</sup> – 10<sup>TH</sup> May 2015</b>	
<b>PLANNED TIME</b> <i>RENCANA WAKTU</i>	<b>PROCESSES / CLAUSES TO BE AUDITED</b> <i>PROSES / HAL YANG DIAUDIT</i>	<b>AUDITOR</b>
<b>Senin / Monday</b> <b>4 May 2015</b>		
05.00 – 10.15	Penerbangan Jakarta – Kendari // <i>Flight Jakarta to Kendari</i>	
10.15 – 20.00	Perjalanan Tim Auditor (Kendari – Ungkaya Estate) // <i>Travelling of Auditor team (Kendari – Ungkaya Estate)</i>	<b>YWR, MAY, DH, DON</b>

DATE TANGGAL	4 <sup>TH</sup> – 10 <sup>TH</sup> May 2015	
PLANNED TIME RENCANA WAKTU	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
Selasa / Tuesday 5 May 2015		
08.00 – 08.45	<p>Opening meeting</p> <ul style="list-style-type: none"> <li>Presentasi Auditee (Perkenalan PIC, Profil Pembina Kemitraan dan Lembaga Mitra) // <i>Auditee Speech (Introduction of PIC, Profile of Scheme managers and Smallholders)</i></li> <li>Presentasi Tim Auditor (Perkenalan, Penjelasan Tujuan Audit, Ruang Lingkup Audit, Pembahasan Rencana Audit, Penentuan Sampel Audit, Penyampaian Transparansi dan Kerahasiaan) // <i>Auditor Team Speech (Introduction, Audit Objective, Audit Scope, Audit Plan Discussion, Determine of Audit Sample, Transparency and Confidentiality Clarification)</i></li> </ul>	<p>MR Ungkaya</p> <p>YWR</p>
08.45 – 12.00	<p>Observasi lapangan <b>UNGKAYA ESTATE</b> // <i>Field observation to UNGKAYA ESTATE:</i></p> <ul style="list-style-type: none"> <li>Implementasi Aspek Agronomi (Panen &amp; Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>Implementasi Aspek Lingkungan, Keselamatan dan Kesehatan Kerja (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i></li> <li>Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i></li> <li>Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Tata Batas) // <i>Implementation of Legal Aspect (Land Ownership, Legal Boundaries)</i></li> <li>Implementasi Aspek Konservasi // <i>Implementation of Conservation Aspect</i></li> <li>Implementasi Aspek Sosial (Komunikasi dan Transparansi, Prosedur dan Mekanisme Keluhan) // <i>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance)</i></li> </ul> <p><u>Konsultasi Stakeholder ke Dinas Terkait Kabupaten Morowali // <i>Stakeholder Consultation with relevant government agencies at Morowali</i></u></p> <p>Istirahat siang // <i>Break and lunch</i></p>	<p>MAY</p> <p>DH</p> <p>DH</p> <p>DH</p> <p>MAY</p> <p>YWR</p> <p>DH</p> <p>DON</p>
12.00 – 14.00	Kunjungan Lapangan // <i>Field visit to UNGKAYA FACTORY:</i>	
15.30 – 16.30	<ul style="list-style-type: none"> <li>Alur Rantai Pasok / Supply Chain (Penerimaan TBS, Penimbangan TBS, Sortasi TBS, Observasi Proses Pengolahan, Despatch CPO) // <i>Supply Chain verification (FFB Receiving, Weighbridge, FFB Sorting, Processing Activity, Despatch CPO)</i></li> <li>Aspek Keselamatan dan Kesehatan (Inspeksi Gudang Bahan Kimia, Gudang Limbah B3, Workshop, Simulasi Fasilitas Pengendali Kebakaran, Pengelolaan Limbah Pabrik / IPAL) // <i>Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Hazardous Waste Storage, Fire Control Simulation, POME Pond)</i></li> <li>Wawancara dengan Serikat Pekerja Pabrik, Kontraktor Transportasi CPO, Komite Gender // <i>Interview with Worker's Union Mill, Contractor of CPO Transporter, Gender Committee.</i></li> </ul>	<p>MAY, YWR</p> <p>DH</p> <p>DON</p>

DATE TANGGAL	4 <sup>TH</sup> – 10 <sup>TH</sup> May 2015	
PLANNED TIME RENCANA WAKTU	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
<b>Rabu / Wednesday</b> <b>6 May 2015</b>		
08.00 – 12.00	<p>Observasi lapangan ke <b>2 Kelompok Tani</b> // <i>Field observation of 2 Farmers Group</i> :</p> <ul style="list-style-type: none"> <li>Implementasi Aspek Agronomi (Panen &amp; Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>Implementasi Aspek Lingkungan, Keselamatan dan Kesehatan Kerja (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i></li> <li>Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i></li> <li>Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Informasi Kelembagaan Petani) // <i>Implementation of Legal Aspect (Land Ownership, Smallholders Profile)</i></li> <li>Implementasi Aspek Konservasi // <i>Implementation of Conservation Aspect</i></li> <li>Implementasi Aspek Sosial (Komunikasi dan Transparansi, Prosedur dan Mekanisme Keluhan) // <i>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance)</i></li> </ul>	<p><b>MAY</b></p> <p><b>DH</b></p> <p><b>DH</b></p> <p><b>YWR</b></p> <p><b>YWR</b></p> <p><b>DON</b></p>
Istirahat siang // <i>Break and lunch</i>		
12.00 – 14.00	<p>Observasi lapangan ke <b>2 Kelompok Tani</b> // <i>Field observation of 2 Farmers Group</i> :</p> <ul style="list-style-type: none"> <li>Implementasi Aspek Agronomi (Panen &amp; Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>Implementasi Aspek Lingkungan, Keselamatan dan Kesehatan Kerja (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i></li> <li>Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i></li> <li>Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Informasi Kelembagaan Petani) // <i>Implementation of Legal Aspect (Land Ownership, Smallholders Profile)</i></li> <li>Implementasi Aspek Konservasi // <i>Implementation of Conservation Aspect</i></li> <li>Implementasi Aspek Sosial (Komunikasi dan Transparansi, Prosedur dan Mekanisme Keluhan) // <i>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance)</i></li> </ul>	<p><b>MAY</b></p> <p><b>DH</b></p> <p><b>DH</b></p> <p><b>YWR</b></p> <p><b>YWR</b></p> <p><b>DON</b></p>
14.00 – 17.00		

DATE TANGGAL	4 <sup>TH</sup> – 10 <sup>TH</sup> May 2015	
PLANNED TIME RENCANA WAKTU	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
<b>Kamis / Thursday</b> <b>7 May 2015</b> 08.00 – 12.00        12.00 – 14.00 14.00 – 17.00	Observasi lapangan ke <b>2 Kelompok Tani</b> // <i>Field observation of 2 Farmers Group</i> : <ul style="list-style-type: none"> <li>Implementasi Aspek Agronomi (Panen &amp; Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>Implementasi Aspek Lingkungan, Keselamatan dan Kesehatan Kerja (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i></li> <li>Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i></li> <li>Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Informasi Kelembagaan Petani) // <i>Implementation of Legal Aspect (Land Ownership, Smallholders Profile)</i></li> <li>Implementasi Aspek Konservasi // <i>Implementation of Conservation Aspect</i></li> <li>Implementasi Aspek Sosial (Komunikasi dan Transparansi, Prosedur dan Mekanisme Keluhan) // <i>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance)</i></li> </ul>	<b>MAY</b>        <b>DH</b>        <b>DH</b>        <b>YWR</b>        <b>YWR</b>        <b>DON</b>
	Istirahat siang // <i>Break and lunch</i> Observasi lapangan ke <b>2 Kelompok Tani</b> // <i>Field observation of 2 Farmers Group</i> : <ul style="list-style-type: none"> <li>Implementasi Aspek Agronomi (Panen &amp; Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>Implementasi Aspek Lingkungan, Keselamatan dan Kesehatan Kerja (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i></li> <li>Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i></li> <li>Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Informasi Kelembagaan Petani) // <i>Implementation of Legal Aspect (Land Ownership, Smallholders Profile)</i></li> <li>Implementasi Aspek Konservasi // <i>Implementation of Conservation Aspect</i></li> <li>Implementasi Aspek Sosial (Komunikasi dan Transparansi, Prosedur dan Mekanisme Keluhan) // <i>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance)</i></li> </ul>	<b>MAY</b>        <b>DH</b>        <b>DH</b>        <b>YWR</b>        <b>YWR</b>        <b>DON</b>

DATE TANGGAL	4 <sup>TH</sup> – 10 <sup>TH</sup> May 2015	
PLANNED TIME RENCANA WAKTU	PROCESSES / CLAUSES TO BE AUDITED PROSES / HAL YANG DIAUDIT	AUDITOR
<b>Jum'at / Friday</b> <b>8 May 2015</b> 08.00 – 12.00      12.00 – 14.00 14.00 – 17.00	Observasi lapangan ke <b>2 Kelompok Tani</b> // <i>Field observation of 2 Farmers Group :</i> <ul style="list-style-type: none"> <li>Implementasi Aspek Agronomi (Panen &amp; Transportasi, Pemupukan, Aplikasi Pestisida, Perawatan Jalan, Monitoring Pengendali Hayati, Aplikasi Janjang Kosong) // <i>Implementation of Agronomy Aspect (Harvesting &amp; Transportation, Manuring, Pesticides Application, Road Maintenance, Biological Control Monitoring, EFB Application)</i></li> <li>Implementasi Aspek Lingkungan, Keselamatan dan Kesehatan Kerja (Inspeksi Gudang Bahan Kimia, Pupuk, Gudang Limbah B3, Workshop, Fasilitas Pengendali Kebakaran, Pengelolaan Sampah dan Limbah) // <i>Implementation of Environmental, Occupational Health &amp; Safety Aspect (Inspection to Chemical Storage, Fertilizer Storage, Hazardous Waste Storage, Fire Control Facilities, Waste Management)</i></li> <li>Implementasi Prosedur dan mekanisme Aspek Ketenagakerjaan // <i>Implementation of Employment Procedure and Mechanism Aspect</i></li> <li>Implementasi Aspek Legal (Legalitas Kepemilikan Lahan, Informasi Kelembagaan Petani) // <i>Implementation of Legal Aspect (Land Ownership, Smallholders Profile)</i></li> <li>Implementasi Aspek Konservasi // <i>Implementation of Conservation Aspect</i></li> <li>Implementasi Aspek Sosial (Komunikasi dan Transparansi, Prosedur dan Mekanisme Keluhan) // <i>Implementation of Social Aspect (Communication and Transparency, Procedure and Mechanism of Complaint and Grievance)</i></li> </ul> Istirahat siang // <i>Break and lunch</i>  Verifikasi hasil kunjungan lapangan dan melengkapi checklist // <i>Verification of field visit and completing checklist</i>	<b>MAY</b>      <b>DH</b>   <b>DH</b>  <b>YWR</b>  <b>YWR</b>  <b>DON</b>  <b>ALL TEAM</b>
<b>Sabtu / Saturday</b> <b>9 May 2015</b> 08.00 – 10.00  10.00 – 11.00 11.00 – 12.00 12.00 – 21.00	Diskusi internal tim auditor untuk persiapan Closing Meeting // <i>Internal discussion by auditor team preparing for Closing Meeting</i>  Closing Meeting  Makan siang dan persiapan perjalanan // <i>Lunch and trip preparation</i>  Perjalanan pulang (Lokasi – Kendari) // <i>Travelling back (Ungkaya Estate – Kendari)</i>	<b>ALL TEAM</b>
<b>Minggu / Sunday</b> <b>10 May 2015</b> 11.15 – 14.25	Penerbangan Kendari – Jakarta // <i>Return flights Kendari - Jakarta</i>	<b>ALL TEAM</b>



**Appendix 3. List of Smallholders Group UNGKAYA PLASMA**

NO.	NAME OF SMALLHOLDER GROUP	NAME OF COORDINATOR	VILLAGE	SUB DISTRICT	REGENCY	HA	AMOUNT	
							FARMERS	HA
1	BALI JAYA	Sabran	Wata	Bungku Barat	Morowali	2.00	30	60.00
2	MONSOMBU JAYA II	Sabran	Wata	Bungku Barat	Morowali	1.00	18	18.00
3	CITRA JAYA	Sabran	Wata	Bungku Barat	Morowali	1.00	22	22.00
	<b>TOTAL</b>						<b>70</b>	<b>100.00</b>
1	HARAPAN BAIK	Sabran	Ambunu	Bungku Barat	Morowali	2.00	19	38.00
2	ANONTOLUFU	Sabran	Ambunu	Bungku Barat	Morowali	1.00	16	16.00
3	PETUTUAI MOKORA	Sabran	Ambunu	Bungku Barat	Morowali	1.00	24	24.00
4	PEFALIA MOKORA I	Sabran	Ambunu	Bungku Barat	Morowali	2.00	13	26.00
5	PEFALIA MOKORA II	Sabran	Ambunu	Bungku Barat	Morowali	2.00	13	26.00
6	PODI JAYA	Sabran	Ambunu	Bungku Barat	Morowali	1.00	23	23.00
7	BAKTI MULYA	Sabran	Ambunu	Bungku Barat	Morowali	1.00	15	15.00
	<b>TOTAL</b>						<b>123</b>	<b>168.00</b>
1	EKA JAYA	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	22	44.00
2	BERINGIN JAYA	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	13	26.00
3	SUMBER HARAPAN	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	20	40.00
4	MEKAR JAYA - H	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	22	44.00
5	KARYA SUBUR	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	26	52.00
6	MANDIRI / H	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	18	36.00
7	KARI BAKTI	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	11	22.00
8	BALI PUTRA	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	13	26.00
9	KARYA MUKTI	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	15	30.00
10	Sub. KARYA MUKTI	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	3	6.00
11	PATUH ABADI	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	15	30.00
12	TANI MULYA	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	21	42.00
13	KARYA UTAMA	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	24	48.00
14	KARYA ABADI	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	18	36.00
15	MAKARTI KARYA - A	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	10	20.00
16	MAKARTI KARYA - B	Sabran	Marga Mulya	Bungku Barat	Morowali		-	-
17	MAKARTI KARYA - C	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	1	2.00
**	MAKARTI KARYA - D	Sabran	Marga Mulya	Bungku Barat	Morowali		-	-
18	TANI JAYA	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	13	26.00
19	Sub. TANI JAYA	Sabran	Marga Mulya	Bungku Barat	Morowali	2.00	4	8.00
	<b>TOTAL</b>						<b>269</b>	<b>538.00</b>
1	HARAPAN KITA	Sabran	Bahonsuai	Bumi Raya	Morowali	1.00	15	15.00
2	SAWIT BERAYU	Sabran	Bahonsuai	Bumi Raya	Morowali	1.00	15	15.00
	<b>TOTAL</b>						<b>30</b>	<b>30.00</b>
1	MALIFU RIZKI	Sabran	Samarenda	Bumi Raya	Morowali	1.00	25	25.00
2	SIMPARATA	Sabran	Samarenda	Bumi Raya	Morowali	1.00	25	25.00

NO.	NAME OF SMALLHOLDER GROUP	NAME OF COORDINATOR	VILLAGE	SUB DISTRICT	REGENCY	HA	AMOUNT	
							FARMERS	HA
3	MONSOMBU JAYA I	Sabran	Samarenda	Bumi Raya	Morowali	1.00	29	29.00
4	USAHA BERSAMA	Sabran	Samarenda	Bumi Raya	Morowali	1.00	21	21.00
5	MATIRO WALIE	Sabran	Samarenda	Bumi Raya	Morowali	1.00	17	17.00
	<b>TOTAL</b>						<b>117</b>	<b>117.00</b>
1	SINAR HARAPAN	Sabran	Atananga	Bumi Raya	Morowali	1.00	25	25.00
2	SUMBER TANI	Sabran	Atananga	Bumi Raya	Morowali	1.00	25	25.00
3	BUMI SAWIT	Sabran	Atananga	Bumi Raya	Morowali	1.00	25	25.00
4	MEKAR JAYA / F	Sabran	Atananga	Bumi Raya	Morowali	1.00	25	25.00
5	SIPATUO	Sabran	Atananga	Bumi Raya	Morowali	1.00	27	27.00
	<b>TOTAL</b>						<b>127</b>	<b>127.00</b>
1	SEMANGAT I	Sabran	Pebatae	Bumi Raya	Morowali	1.00	24	24.00
2	SEMANGAT II	Sabran	Pebatae	Bumi Raya	Morowali	1.00	23	23.00
3	SEMANGAT III	Sabran	Pebatae	Bumi Raya	Morowali	1.00	24	24.00
4	SEMANGAT IV	Sabran	Pebatae	Bumi Raya	Morowali	1.00	23	23.00
5	SEMANGAT V	Sabran	Pebatae	Bumi Raya	Morowali	1.00	24	24.00
6	MUJUR JAYA	Sabran	Pebatae	Bumi Raya	Morowali	1.00	25	25.00
7	MAJU BERSAMA	Sabran	Pebatae	Bumi Raya	Morowali	1.00	11	11.00
	<b>TOTAL</b>						<b>154</b>	<b>154.00</b>
1	POSINTUFU	Sabran	Umbele	Bumi Raya	Morowali	1.00	24	24.00
2	SUKA JAYA	Sabran	Umbele	Bumi Raya	Morowali	1.00	24	24.00
3	SUKA MAJU / F	Sabran	Umbele	Bumi Raya	Morowali	1.00	24	24.00
4	MAROSO	Sabran	Umbele	Bumi Raya	Morowali	1.00	24	24.00
5	SABAR MENANTI	Sabran	Umbele	Bumi Raya	Morowali	1.00	24	24.00
6	SAMBIL MENANTI	Sabran	Umbele	Bumi Raya	Morowali	0.50	18	9.00
	<b>TOTAL</b>						<b>138</b>	<b>129.00</b>
1	PONTARI ASLI **	Sabran	Karaupa	Bumi Raya	Morowali	1.00	28	28.00
2	UEMARIMBO **	Sabran	Karaupa	Bumi Raya	Morowali	1.00	29	29.00
3	PURUN DAYA	Sabran	Karaupa	Bumi Raya	Morowali	1.00	16	16.00
	<b>TOTAL</b>						<b>73</b>	<b>73.00</b>
1	PEBOTOA	Sabran	Pebotoa	Bumi Raya	Morowali	1.00	21	21.00
2	PEBOTOA II	Sabran	Pebotoa	Bumi Raya	Morowali	1.00	24	24.00
3	PEBOTOA MAJU	Sabran	Pebotoa	Bumi Raya	Morowali	1.00	12	12.00
4	PEBOTOA MAKMUR	Sabran	Pebotoa	Bumi Raya	Morowali	0.50	34	17.00
	<b>TOTAL</b>						<b>91</b>	<b>74.00</b>
1	LIMBO MAKMUR II	Sucipto	Limbo Makmur	Bumi Raya	Morowali	0.75	64	48.00
2	LIMBO MAKMUR III	Sucipto	Limbo Makmur	Bumi Raya	Morowali	0.75	63	47.25
3	LIMBO MAKMUR IV	Sucipto	Limbo Makmur	Bumi Raya	Morowali	0.75	61	45.75
4	LIMBO MAKMUR V	Sucipto	Limbo Makmur	Bumi Raya	Morowali	0.75	60	45.00
5	LIMBO MAKMUR VI	Sucipto	Limbo Makmur	Bumi Raya	Morowali	0.75	64	48.00

NO.	NAME OF SMALLHOLDER GROUP	NAME OF COORDINATOR	VILLAGE	SUB DISTRICT	REGENCY	HA	AMOUNT	
							FARMERS	HA
6	LIMBO MAKMUR I	Sucipto	Limbo Makmur	Bumi Raya	Morowali	0.75	80	60.00
	<b>TOTAL</b>						<b>392</b>	<b>294.00</b>
1	BERINGIN JAYA I	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	70	52.50
2	BERINGIN JAYA II	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	60	45.00
3	BERINGIN JAYA III	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	60	45.00
4	BERINGIN JAYA IV	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	29	21.75
5	BERINGIN JAYA V **	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	35	26.25
6	BERINGIN JAYA VII	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	70	52.50
7	BERINGIN JAYA VI	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	36	27.00
8	BERINGIN JAYA VIII **	Sucipto	Harapan Jaya	Bumi Raya	Morowali	0.75	21	15.75
9	BERINGIN JAYA IX	Sucipto	Harapan Jaya	Bumi Raya	Morowali	1.00	41	41.00
	<b>TOTAL</b>						<b>422</b>	<b>326.75</b>
1	LAMBELU I	Sucipto	Lambelu	Bumi Raya	Morowali	0.75	52	39.00
2	LAMBELU II	Sucipto	Lambelu	Bumi Raya	Morowali	0.75	52	39.00
3	LAMBELU III	Sucipto	Lambelu	Bumi Raya	Morowali	0.75	44	33.00
4	LAMBELU IV	Sucipto	Lambelu	Bumi Raya	Morowali	0.75	37	27.75
5	LAMBELU V	Sucipto	Lambelu	Bumi Raya	Morowali	0.75	45	33.75
6	LAMBELU VI	Sucipto	Lambelu	Bumi Raya	Morowali	0.75	48	36.00
7	LAMBELU VII	Sucipto	Lambelu	Bumi Raya	Morowali	1.00	23	23.00
	<b>TOTAL</b>						<b>301</b>	<b>231.50</b>
1	KADA SITURU	Hamzah	Sampeantaba	Wita Ponda	Morowali	1.00	22	22.00
2	MARANU	Hamzah	Sampeantaba	Wita Ponda	Morowali	1.00	26	26.00
3	MISAKADA	Hamzah	Sampeantaba	Wita Ponda	Morowali	1.00	29	29.00
	<b>TOTAL</b>						<b>77</b>	<b>77.00</b>
1	KARYA JAYA	Hamzah	Moahino	Wita Ponda	Morowali	1.00	25	25.00
2	HARAPAN JAYA / B	Hamzah	Moahino	Wita Ponda	Morowali	1.00	26	26.00
3	SEMANGAT TANI	Hamzah	Moahino	Wita Ponda	Morowali	1.00	27	27.00
4	SUKA MAJU / B	Hamzah	Moahino	Wita Ponda	Morowali	1.00	26	26.00
5	SAMA TURU	Hamzah	Moahino	Wita Ponda	Morowali	1.00	25	25.00
6	SUKA KARYA	Hamzah	Moahino	Wita Ponda	Morowali	1.00	26	26.00
	<b>TOTAL</b>						<b>155</b>	<b>155.00</b>
1	PONTUFA JAYA	Hamzah	Emea	Wita Ponda	Morowali	1.00	26	26.00
2	EMEA PUTRA	Hamzah	Emea	Wita Ponda	Morowali	1.00	26	26.00
3	PONDA RAYA	Hamzah	Emea	Wita Ponda	Morowali	1.00	25	25.00
4	BUMI SUMOLO	Hamzah	Emea	Wita Ponda	Morowali	1.00	26	26.00
5	LANTOLIMBU JAYA	Hamzah	Emea	Wita Ponda	Morowali	1.00	26	26.00
6	IPOLI JAYA	Hamzah	Emea	Wita Ponda	Morowali	1.00	26	26.00
	<b>TOTAL</b>						<b>155</b>	<b>155.00</b>
1	KARYA MANDIRI	Hamzah	Ungkaya	Wita Ponda	Morowali	2.00	26	52.00

NO.	NAME OF SMALLHOLDER GROUP	NAME OF COORDINATOR	VILLAGE	SUB DISTRICT	REGENCY	HA	AMOUNT	
							FARMERS	HA
2	PONDA LESTARI I	Hamzah	Ungkaya	Wita Ponda	Morowali	1.00	26	26.00
3	PONDA LESTARI II	Hamzah	Ungkaya	Wita Ponda	Morowali	1.00	26	26.00
4	PONDA LESTARI III	Hamzah	Ungkaya	Wita Ponda	Morowali	1.00	26	26.00
5	PONDA LESTARI IV	Hamzah	Ungkaya	Wita Ponda	Morowali	1.00	26	26.00
6	PONDA LESTARI V	Hamzah	Ungkaya	Wita Ponda	Morowali	1.00	26	26.00
7	USAHA BARU	Hamzah	Ungkaya	Wita Ponda	Morowali	2.00	23	46.00
8	PONDA LESTARI VI	Hamzah	Ungkaya	Wita Ponda	Morowali	1.00	22	22.00
	<b>TOTAL</b>						<b>201</b>	<b>250.00</b>
1	BUMI PERSADA	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	18	36.00
2	SUKA USAHA	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	20	40.00
3	HARAPAN JAYA / D	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	18	36.00
4	KARYA MAKMUR	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	20	40.00
5	SUMBER REJEKI II	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	20	40.00
6	MEKAR JAYA / C	Hamzah	Solonsa	Wita Ponda	Morowali	2.00	19	38.00
7	TUNAS MAKARTI	Hamzah	Solonsa	Wita Ponda	Morowali	2.00	19	38.00
8	PERSATUAN	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	21	42.00
9	SUMBER REJEKI I	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	21	42.00
10	MAKARTI SEJAHTERA	Johan Nampo	Solonsa	Wita Ponda	Morowali	2.00	21	42.00
11	POSINTUWU	Hamzah	Solonsa	Wita Ponda	Morowali	1.00	28	28.00
12	ASSASONGKA	Hamzah	Solonsa	Wita Ponda	Morowali	1.00	26	26.00
13	SOLONSA UTAMA	Hamzah	Solonsa	Wita Ponda	Morowali	1.00	24	24.00
	<b>TOTAL</b>						<b>275</b>	<b>472.00</b>
1	BUKIT MAKARTI	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	23	46.00
2	BUKIT AGRO MAKARTI	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	22	44.00
3	BERIUK PACU	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	25	50.00
4	SAWIT MUKTI TAMA	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	25	50.00
5	SETIA KAWAN	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	25	50.00
6	MAKARTI JAYA	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	24	48.00
7	JAYA PERKASA	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	18	36.00
8	BINTANG TIMUR	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	26	52.00
9	BINA MUDA	Hamzah	Solonsa Jaya	Wita Ponda	Morowali	2.00	25	50.00
	<b>TOTAL</b>						<b>213</b>	<b>426.00</b>
1	LAANTULA JAYA I	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	48	36.00
2	LAANTULA JAYA II	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	60	45.00
3	LAANTULA JAYA III	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	58	43.50
4	LAANTULA JAYA IV	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	61	45.75
5	LAANTULA JAYA V	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	54	40.50
6	LAANTULA JAYA VI	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	31	23.25
7	LAANTULA JAYA VII	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	39	29.25

NO.	NAME OF SMALLHOLDER GROUP	NAME OF COORDINATOR	VILLAGE	SUB DISTRICT	REGENCY	HA	AMOUNT	
							FARMERS	HA
8	LAANTULA JAYA VIII	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	57	42.75
9	LAANTULA JAYA IX	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	36	27.00
10	LAANTULA JAYA X	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	31	23.25
11	LAANTULA JAYA XI	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	34	25.50
12	LAANTULA JAYA XII	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	24	18.00
13	LAANTULA JAYA XIII	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	41	30.75
14	LAANTULA JAYA XIV	Sucipto	Laatula Jaya	Wita Ponda	Morowali	0.75	39	29.25
	<b>TOTAL</b>						<b>613</b>	<b>459.75</b>
1	PUNTARI MAKMUR I	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	75	56.25
2	PUNTARI MAKMUR II	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	60	45.00
3	PUNTARI MAKMUR III	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	62	46.50
4	PUNTARI IV **	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	51	38.25
5	PUNTARI V **	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	48	36.00
6	PUNTARI VI **	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	36	27.00
7	PUNTARI VII **	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	34	25.50
8	PUNTARI VIII	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	36	27.00
9	PUNTARI IX	Sucipto	Puntari Makmur	Wita Ponda	Morowali	0.75	34	25.50
	<b>TOTAL</b>						<b>436</b>	<b>327.00</b>
1	AMARTA BUMI	Sucipto	Bumi Harapan	Wita Ponda	Morowali	0.75	71	53.25
2	BANGUN KARSO	Sucipto	Bumi Harapan	Wita Ponda	Morowali	0.75	51	38.25
3	KARYA LESTARI	Sucipto	Bumi Harapan	Wita Ponda	Morowali	0.75	40	30.00
4	SETIA PERSADA	Sucipto	Bumi Harapan	Wita Ponda	Morowali	0.75	41	30.75
5	MAKMUR BERSAMA	Sucipto	Bumi Harapan	Wita Ponda	Morowali	0.75	37	27.75
6	TANI HARAPAN	Sucipto	Bumi Harapan	Wita Ponda	Morowali	0.75	38	28.50
7	BUMI HARAPAN JAYA	Sucipto	Bumi Harapan	Wita Ponda	Morowali	0.75	30	22.50
	<b>TOTAL</b>						<b>308</b>	<b>231.00</b>
1	SINAR SAWIT II	Johan Nampo	Keuno	Petasia Timur	Morowali Utara	1.00	24	24.00
	<b>TOTAL</b>						<b>24</b>	<b>24.00</b>
1	TANI MAJU	Johan Nampo	Molores	Petasia Timur	Morowali Utara	2.00	21	42.00
2	KARYA MUDA	Johan Nampo	Molores	Petasia Timur	Morowali Utara	2.00	21	42.00
3	MANDIRI / D	Johan Nampo	Molores	Petasia Timur	Morowali Utara	2.00	22	44.00
4	TUNAS MEKAR	Johan Nampo	Molores	Petasia Timur	Morowali Utara	2.00	22	44.00
5	NUSA KENA	Johan Nampo	Molores	Petasia Timur	Morowali Utara	2.00	21	42.00
6	KENA SAMA	Johan Nampo	Molores	Petasia Timur	Morowali Utara	2.00	16	32.00
7	SAWIT JAYA	Sucipto	Molores	Petasia Timur	Morowali Utara	2.00	22	44.00
8	SUMBER JAYA	Sucipto	Molores	Petasia Timur	Morowali Utara	2.00	23	46.00
	<b>TOTAL</b>						<b>168</b>	<b>336.00</b>
1	USAHA DAMAI	Johan Nampo	Mohoni	Petasia Timur	Morowali Utara	2.00	21	42.00
2	SINAR SAWIT I	Johan Nampo	Mohoni	Petasia Timur	Morowali Utara	1.00	21	21.00



NO.	NAME OF SMALLHOLDER GROUP	NAME OF COORDINATOR	VILLAGE	SUB DISTRICT	REGENCY	HA	AMOUNT	
							FARMERS	HA
3	SINAR SAWIT III	Johan Nampo	Mohoni	Petasi Timur	Morowali Utara	1.00	17	17.00
4	SINAR SAWIT IV	Johan Nampo	Mohoni	Petasi Timur	Morowali Utara	1.00	14	14.00
	<b>TOTAL</b>						<b>73</b>	<b>94.00</b>
<b>GRAND TOTAL</b>			<b>26 Villages</b>	<b>4 Sub District</b>	<b>2 Regencies</b>		<b>5,005</b>	<b>5,369.00</b>