

**MONG RETHYTHY INVESTMENT
CAMBODIA OIL PALM CO. LTD. (MRICOP)**

RSPO Membership No: 1-0109-11-000-00

PLANTATION MANAGEMENT UNIT
**MRICOP Grouping Palm Oil Mills &
Estates**

Choeung Kor Commune, Prey Nop District,
Sihanouk Province, Cambodia



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Assessment Report

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(188296-W)

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RE-CERTIFICATION ASSESSMENT

PUBLIC SUMMARY REPORT

**MONG RETHTHY INVESTMENT CAMBODIA OIL PALM CO. LTD.
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PLANTATION MANAGEMENT UNIT
MRICOP Grouping Palm Oil Mills & Estates
Choeung Kor Commune, Prey Nop District, Sihanouk Province,
Cambodia

Certificate No: **RSPO 928088**
Issued date: 15 Aug 2017
Expiry date: 14 Aug 2022

Assessment Type **Assessment Dates**
Re-Certification 19-23 Jun 2017
Annual Surveillance Assessment (ASA-01)
Annual Surveillance Assessment (ASA-02)
Annual Surveillance Assessment (ASA-03)
Annual Surveillance Assessment (ASA-04)



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1.0 SCOPE OF ASSESSMENT

1.1 Introduction

This Re-certification Assessment was conducted on the Plantation Management Unit (PMU), Mong Reththy Cambodia Oil Palm Co. Ltd. (hereafter abbreviated as MRICOP), from **19-23 Jun 2017**, to assess if the organization's operations of the mill and its supply bases were in compliance against the RSPO Principles and Criteria (Apr 2013), Cambodian Local Indicators (2014) and the ratified requirements of RSPO Supply Chain Certification Standard (Nov 2014) for Palm Oil Mill.

The plantation management unit (PMU) or management unit of MRICOP Grouping comprises of two (2) palm oil mills and a common supply base of four (4) estates. The eligibility of the Multiple Mill certification of MRICOP Grouping was confirmed by the RSPO Secretariat on 21 Mar 2015.

1.2 Location (address, GPS and map) of palm oil mill and estates

MRICOP Grouping comprises of two (2) palm oil mills; viz;(a) Monorum POM and (b) Anlong Kropeu POM and four (4) estates as indicated in Table 1 below, which includes the addresses and GPS locations of the mill and estates. The location maps are provided in **Appendix C**.

Table 1: Address of Palm Oil Mill, Estates and GPS Location

Name	Address	GPS Reference	
		Latitude	Longitude
Monorum Palm Oil Mill Capacity: 30 MT/hour	Mong Reththy Investment Cambodia Oil Palm Co. Ltd., National Road 4, Monorum, Cheung Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 54' 33.7" N	103° 50' 04.2" E
Anlong Kropeu Palm Oil Mill Capacity: 45 MT/hour	MRT-TCC Sugar Investment Co. Ltd., National Road 4, Anlong Kropeu, Cheung Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 57' 52.1" N	103° 54' 26.2" E
Estate A (Tapoa)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 48' 59.7" N	103° 47' 46.9" E
Estate B (Svay)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 52' 08.2" N	103° 51' 19.2" E
Estate C (Anlong Kropeu)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 57' 58.7"N	103° 54' 02.0" E
Estate D (Kirivon)	National Road 4, Kirivon, Stoeng Chhay, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 57' 58.4" N	103° 54' 01.9" E



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1.3 Description of supply base (fruit sources)

The supply base, i.e. FFB sources to the 2 mills under the MRICOP Grouping are entirely from the 4 common supplying estates as mentioned above.

Estate A and Estate B are owned by MRICOP whilst Estate C is managed by MRICOP but owned by MRT-TCC Sugar Investment Co., Ltd (MTSI). MTSI's shareholders are the Thai Charoen Corporation Group (TCC) Group and Mong Reththy Group (MRT) on a 75% and 25% ownership basis. Both MRICOP and MTSI are under the joint ownership of MRT Group and TCC Group.

FFB supply from Estate A and Estate B (under MRICOP) had commenced since year 2000, whilst supply from Estate C had commenced since year 2011.

The necessary documentation and public notification under the RSPO New Planting Procedures for the extension of plantation development and supply from Estate C was submitted to RSPO on 15 May 2012 and was approved without any issues forthwith for the previous surveillance assessments. Further extension of scope was conducted as part of surveillance assessment ASA-02 for the increase in planted hectareage due to additional ongoing New Planting at Estate C. Public notification under the RSPO New Planting Procedures for the extension of plantation development of Estate C was submitted to RSPO on 06 Jun 2014 and was approved without any issues. The large Estate C was subsequently divided into two estates, viz; a smaller Estate C and a new Estate D (Kirivon) and this change was found to be in compliance in the previous assessment.

The supply base i.e. FFB sources to the POM PMU are from the abovementioned 4 estates only. Verification done on site during this Assessment confirmed that there were no outgrowers / independent suppliers / smallholders involved in the supply of FFB to the said PMU.

Details of the planted hectareage at MRICOP are as shown in Table 2 below.

Table 2: Estate Area Summary

Estate	Area Summary (ha) – Previous FY Jul 2015 / Jun 2016		Area Summary (ha) – Current FY Jul 2016 / Jun 2017	
	Certified Area	Planted Area	Certified Area	Planted Area
Estate A (Tapoa)	6,705.47	4,073.68	4,956.70	4,073.68
Estate B (Svay)	7,655.86	4,287.52	5,153.41	4,333.07
Estate C (Anlong Kropeu)	5,351.24	4,319.63	5,339.70	4,252.36
Estate D (Kirivon)	5,118.85	3,789.07	5,130.39	3,876.43
Total:	24,843.42	16,469.90	20,580.19	16,535.54

Notes:

1. This Assessment covered the overall land use for oil palm plantation areas, and the identified Conservation areas including HCV areas marked out at the estates.
2. The estates sampled for this Assessment have been selected based on their potential risks on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and high conservation value areas.
3. The reduction in certified area for Estate A and Estate B in FY Jul 2016 / Jun 2017 is due to the exclusion of the villages in the concession area from the estate lands.
4. The slight changes in certified area and planted areas for Estate C and Estate D are due to the re-adjustment in the divided areas between these two estates.



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1.4 Year of plantings and cycle

The 4 estates have been developed beginning from 1997 and are still in the 1st cycle of planting. The age profile is as shown in Table 3.

Table 3: Age Profile of Planted Oil Palm FY Jul 2016 / Jun 2017

Estate Name	Year of Planting	Cycle of Planting	Mature OP (ha) – Above 3 years	Immature OP (ha) – 3 years & below	Total (ha)
Estate A (Tapoa)	1997-2008, 2010	1 st	4,073.68	0.00	4,073.68
Estate B (Svay)	1997-2012, 2016	1 st	4,295.95	37.12	4,333.07
Estate C (Anlong Kropeu)	2008-2010, 2011-2012, 2014-2016	1 st	3,852.68	399.68	4,252.36
Estate D (Kirivon)	2010-2013, 2014-2015	1 st	2,495.62	1,380.81	3,876.43
		Total	14,717.93	1,817.61	16,535.54

1.5 Summary of Land Use, Conservation and HCV Areas

The summary of Land Use, Conservation and HCV Areas as identified in MRICOP during this Annual Surveillance Assessment is as shown in Table 4 below:

Table 4: Conservation and HCV Areas

#	Statement of Land Use (Ha) - Estate A, B, C and D	FY Jul 2015 / Jun 2016 (ASA-04) Hectarage – Ha	FY Jul 2016 / Jun 2017 (Re-cert) Hectarage – Ha
1	Planted Area (ha) – Oil Palm	16,469.90	16,535.54
	- Mature	14,071.89	14,717.93
	- Immature	2,398.01	1,817.61
2	Conservation Area (ha)		
	- comprising buffer zones along small streams, hilly areas, swampy and unplanted areas	2,427.64	3,199.36
3	HCV Area (ha)		
	- comprising buffer zones near forest reserves, water catchments, burial & religious sites	2.45	2.45

Notes:

- Significant portions of the land have been occupied by the local villagers and communities, for more than 5 years, which were left unplanted and maintained as such.
- Conservation areas are principally water bodies such as natural and dug up ponds and buffer zones along river tributaries and streams.
- The small HCV area is a Khmer soldiers' burial site in Estate C.

1.6 Other certifications held and Use of RSPO Trademarks

MRICOP PMU currently has no other certifications. The RSPO's trademarks and logo are not being used by the PMU audited. Instructions for use were provided and acknowledged by the PMU through a signed Memorandum of commitment agreeing to adhere to the latest "RSPO Rules on Communications & Claims".



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1.7 Organizational information / Contact Person

Name: Mr. Sumate Pratumswan
Designation: Managing Director – Agricultural / Oil Palm
Full Address: Mong Reththy Investment Cambodia Oil Palm Co. Ltd
#52, St. 598 Sangkat Boeung Kak II, Khan Toul Kork, Phnom Penh, Cambodia.
Tel: (855-85) 903 551
Fax: 855-23-216 496
Email: sumatep@gmail.com

1.8 Tonnages Verified for Certification

1.8.1 The breakdown of all the tonnages of FFB from the supply base to the 2 POMs respectively based on the reporting period for FY Jul 2016 / Jun 2017 are as follows:

Table 5A: Total FFB tonnages for Monorum Mill (01 Jul 2016 – 30 Jun 2017)

#	Estate /Supplier	FFB Processed (MT)	Main Receiving Mill	Certified By
1.	Estate A (Tapoa)	45,805.11	MRICOP POM	Intertek
2.	Estate B (Svay)	30,580.14	MRICOP POM	Intertek
3.	Estate C (Anlong Kropeu)	12,587.24	MRICOP POM	Intertek
4.	Estate D (Kirivon)	5,914.51	MRICOP POM	Intertek
	Total	94,887.00		

Table 5B: Total FFB tonnages for Anlong Kropeu Mill (01 Jul 2016 – 30 Jun 2017)

#	Estate /Supplier	FFB Processed (MT)	Main Receiving Mill	Certified By
1.	Estate A (Tapoa)	8,464.89	MTSI POM	Intertek
2.	Estate B (Svay)	6,747.86	MTSI POM	Intertek
3.	Estate C (Anlong Kropeu)	11,341.76	MTSI POM	Intertek
4.	Estate D (Kirivon)	6,589.49	MTSI POM	Intertek
	Total	33,144.00		



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1.8.2. Total annual certified tonnages of FFB supplied to the MRICOP POMs during the previous assessment period, current assessment period and next projected period are as follows:

Table 6: Annual Tonnages of FFB

Estate / Supplier	FFB Processed in FY Jul 2015 / Jun 2016 Actual		FFB Processed for FY Jul 2016 / Jun 2017 Actual + Projected		FFB Processed for FY Jul 2017 / Jun 2018 Projected	
	MT	%	MT	%	MT	%
Estates A, B, C & D to Monorum POM - Certified	54,315	44.2	94,887	74.1	29,097	15.5
Estates A, B, C & D to Anlong Kropeu POM - Certified	68,561	55.8	33,144	25.9	158,049	84.5
Other External Supplier - Uncertified	0	0	0	0	0	0
Total	122,876	100	128,031	100	187,146	100
SCCS Module for POM	IP		IP		IP	

1.8.3 The annual certified tonnages of CPO and PK production at the respective Mills from the supply base as assessed during the previous assessment period, current assessment period and next projected period are as per the Tables below:

Table 7A: Annual Certified Tonnages of CPO and PK - Monorum Mill

POM	FY Jul 2015/ Jun 2016 - Actual		FY Jul 2016/ Jun 2017 - Actual + Projected		FY Jul 2017/ Jun 2018 - Projected	
Total Certified FFB Processed (MT)	54,315		94,887		29,097	
Total Certified CPO Production (MT)	10,428	OER: 19.20 %	18,713	OER: 19.70%	5,732	OER: 19.70 %
Total Certified PK Production (MT)	2,129	KER: 3.92 %	3,810	KER: 4.02%	1,164	KER: 4.00 %

Table 7B: Annual Certified Tonnages of CPO and PK - Anlong Kropeu Mill

POM	FY Jul 2015/ Jun 2016 - Actual		FY Jul 2016/ Jun 2017 - Actual + Projected		FY Jul 2017/ Jun 2018 - Projected	
Total Certified FFB Processed (MT)	68,561		33,144		158,049	
Total Certified CPO Production (MT)	13,260	OER: 19.34%	6,484	OER: 19.56%	31,136	OER: 19.70 %
Total Certified PK Production (MT)	2,866	KER: 4.18%	1,330	KER: 4.01%	6,322	KER: 4.00 %



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1.9 Time Bound Plan for Other Plantation Management Units

At present, there are no other management units owned under MRICOP.

1.10 Assessment for Compliance with the Rules for Partial Certification

MRICOP has submitted a positive declaration to Intertek that there are no other certified or uncertified management units owned under MRICOP for compliance with the requirements of the rules for partial certification (Section 4.2.3 and 4.2.4 of RSPO Certification Systems Document). Intertek had verified that MRICOP conducted an internal audit against these requirements and stated that it demonstrated compliance against each requirement.

1.11 Abbreviations Used

CB	Certification Body	KER	Kernel Extraction Rate
CLI	Cambodian Local Indicators	LTA	Lost Time Accidents
CHRA	Chemical Health & Risk Assessment	MRICOP	Mong Reththy Investment Cambodia Oil Palm Co. Ltd.
CPO	Crude Palm Oil	MSDS	Material Safety Data Sheets
CSDS	Chemical Safety Data Sheets	MTCS	Malaysia Timber Certification Scheme
CSPO	Certified Sustainable Palm Oil	MTSI	MRT-TCC Sugar Investment Pte. Ltd
CSPK	Certified Sustainable Palm Kernel	NCR	Non-Conformance Report
EFB	Empty Fruit Bunch	NGO	Non-Government Organization
EHS	Environmental Health & Safety	OER	Oil Extraction Rate
EIA	Environmental Impact Assessment	OHS	Occupational Health & Safety
ETP	Effluent Treatment Plant	PEFC	Programme for the Endorsement of Forest Certification
FFB	Fresh Fruit Bunch	PK	Palm Kernel
GAP	Good Agriculture Practice	PMU	Plantation Management Unit
HCV	High Conservation Values	POM	Palm Oil Mill
Intertek	Intertek Certification International Sdn Bhd	POME	Palm Oil Mill Effluent
IPM	Integrated Pest Management	PPE	Personal Protective Equipment
ISCC	International Sustainability & Carbon Certification	SCCS	Supply Chain Certification Standard
IUCN	International Union for Conservation of Nature	SOP	Standard Operating Procedures



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2.0 ASSESSMENT PROCESS

2.1 Assessment Methodology, Plan and Site Visits

Since 28 Apr 2017, Intertek has initiated public communications and notifications and invited the relevant stakeholders before the assessment to provide feedback and comments on their concern (if any) on MRICOP regarding the environmental, biodiversity, community development and other relevant issues.

From 19–23 Jun 2017, the Assessment Team of Intertek conducted the Re-certification in which 2 out of the 4 estates of MRICOP namely Estate A and Estate C as well as the two (2) palm oil mills, viz; Monorum POM and Anlong Kropeu POM, were assessed for compliance against the RSPO requirements.

The number of estates sampled was based on a minimum sample of $0.8\sqrt{y}$ where y is the number of management sub-units and the selection was made based on their potential risks on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and high conservation value areas.

During the on-site assessment, relevant documents and records, including Standard Operating Procedures (SOP), management plans, hectareage development, FFB, CPO and PK production, oil palm age profile, operational controls and measures, operational data and records, training records, etc. were reviewed and verified for compliance. The Assessment team using the process approach auditing technique covered the palm oil mill and estate operations, agricultural practices, pest management, pesticide and fertilizer application, occupational health and safety, social accountability, environment and other requirements. Stakeholders' interviews were conducted during the assessment and feedback obtained as part of information and evidence gathering. (See section 2.5 Process of stakeholder consultation).

MRICOP Palm Oil Mills were assessed against the requirements for the Identity Preserved (IP) Module as specified in RSPO Supply Chain Certification Standard (SCCS) for CPO mill. This part of the assessment covered the implementation of documented procedures, verification of processing and traceability of FFB into CPO and PK, and availability of records to demonstrate compliance against all the elements of the **Identity Preserved (IP) Module** in accordance with the RSPO Supply Chain Certification Standard (SCCS) requirements. Verified activities and checked items for the SCCS of the POM are reported in **section.3.1.1**.

After completion of the on-site field assessment, Intertek also performed the evaluation of conformity against the RSPO Certification System requirements for CB. The assessment report, findings and associated documents were evaluated through an independent review by the Intertek Internal Technical Reviewer/Panel and also submitted to another independent External Peer Reviewer for comments prior to the approval of this report and final decision on the certification by Intertek.

The details of the Assessment Plan (actual on-site) are provided in **Appendix B**.

2.2 Date of next scheduled visit

The next scheduled visit will be the Annual Surveillance Assessment (ASA-01) which will be carried out within the 9 to 12-months period from the date of initial issuance of the certificate.

2.3 Qualifications of the Lead Assessor and Assessment Team

Competency details of the Lead Assessor and Assessment Team are given in **Appendix A**.

2.4 Certification Body

Intertek Certification International Sdn Bhd is part of the Intertek Group, which is a worldwide technical services organization dedicated to reducing clients' risks by providing technical inspection services, management system certification in quality, environmental, occupational safety & health and product certification, RSPO SCC, ISCC, Marine Sustainability Chain-of-Custody, MTCS and PEFC Chain-of Custody certification in applicable industry sectors including the agricultural and forestry sectors. Intertek operates globally providing clients with a wide-ranging technical inspection expertise and access to thousands of skilled specialists worldwide. Intertek Group's certification business is ranked in the top 10 worldwide, and is available globally offering certification across a wide range of industries.



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2.5 Process of stakeholder consultation

Stakeholder consultations began with notification of the upcoming assessment through the websites of Intertek, MRICOP and RSPO. E-mails were sent to applicable stakeholders including government agencies, NGOs and local communities. Feedbacks received prior to the actual assessment on-site were followed up accordingly.

During the assessment, stakeholders were interviewed and their feedbacks were recorded. Among the stakeholders consulted were workers, trade union leaders, women representatives; local community leaders, representatives of government departments / agencies, NGOs, suppliers and contractors.

Details on stakeholders' feedback, PMU response and Intertek verification / comments are provided in **section 3.3**.

Among the list of key stakeholders consulted are the following:

Government Ministries / Agencies (by emails)

1. Ministry of Agriculture, Forestry & Fisheries
2. Ministry of Mines & Energy
3. Ministry of Women Affairs
4. The Cambodian National Council for Women (CNCW)
5. Ministry of Environment
6. Ministry of Labour & Vocational Training
7. Ministry of Economy & Finance
8. Ministry of Water resource and Meteorology
9. Department of Forestry, Cambodia
10. Department of Wildlife & Biodiversity, Cambodia
11. Department of Immigration
12. Council for Agriculture and Rural Development (CARD)
13. Provincial Governor of Sihanoukville

NGOs (by emails)

1. Association of Protection Development for Cambodia Environment (APDCE)
2. Cambodian Farmer Economic Development (CFED)
3. Cambodian Human Rights and Development Association (ADHOC)
4. Cambodian League for the Promotion & Defence of Human Rights (LICADHO)
5. Cambodian Sanitation and Recycling Organization (CSARO)
6. Centre d'Etude et de Développement Agricole Cambodgien (CEDAC) Cambodia
7. Conservation International (CI) Cambodia
8. Cooperation for Development of Cambodia (Co-DeC)
9. Culture and Environment Preservation Association (CEPA)
10. Development and Partnership in Action (DPA)
11. Fisheries Action Coalition Team (FACT)
12. Gender and Development for Cambodia (GAD/C)
13. Human Resource and Rural Economic Development Organization (Hurredo)
14. Human Rights Vigilance of Cambodia (Vigilance)
15. Indigenous Community Support Organization (ICSO)
16. Khmer Farmers Association (KFA)
17. Khmer Institute for National Development (KIND)
18. Legal Aid of Cambodia (LAC)
19. NGO Committee on the Rights of the Child (NGO-CRC)
20. NGO Forum of Cambodia
21. Organization for Assistance of Children and Rural Women (CWARO)
22. Urban Poor Women Development (UPWD)
23. Wildlife Alliance Cambodia
24. World Wide Fund (WWF) Cambodia (Phnom Penh)
25. Wildlife Conservations Society (WCS) Cambodia

Others interviewed during on-site assessment

1. Gender Committee Members
2. Workers representatives



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3. Commune Heads
4. Village Heads
5. School Principals
6. Clinic doctors
7. Suppliers / Contractors
8. Contractors (for field workers)



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3.0 ASSESSMENT FINDINGS

3.1 Summary of findings

Principle 1: Commitment to transparency

Criteria 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.		
Indicators	Findings and Objective Evidence	Compliance
<p>1.1.1 There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.</p> <p>Minor Compliance</p>	<p>Documented procedure SOP-GA-020 dated 01 May 2016 Rev 01 established and implemented for providing such information to relevant stakeholders upon request.</p> <p>For the period Jul 2016 to Jun 2017, requests for visits (by Korea Trade Investment Promotion Agency, students from University of Sovamapaum and Royal University of Phnom Penh) to the mills and estates were recorded.</p> <p>As at the period of assessment, there were no additional requests for information from stakeholders for this PMU.</p> <p>Date of public notification of this assessment of the PMU was made on 28 Apr 2017.</p>	Complied
<p>1.1.2 Records of requests for information and responses shall be maintained.</p> <p>Major Compliance</p>	<p>The PMU maintained an updated list of internal stakeholders, external stakeholders, government departments/agencies, consultants, contractors, suppliers, transporters, etc.</p> <p>Stakeholders' consultation held with records of stakeholders' feedback (positive and negative), and management action plan recorded.</p>	Complied
Criteria 1.2		
Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.		
Indicators	Findings and Objective Evidence	Compliance
<p>1.2.1 Management documents that are made available to the public shall include, but are not necessarily limited to:</p> <p>Major Compliance</p>	<p>The PMU had established and maintained documented information of land titles, health and safety plan, plans and impact assessments relating to environment and social impacts, pollution prevention plans, details of complaints and grievances; negotiation procedures and continuous improvement plan that are available to the public and also for internal reference.</p> <p>MRICOP website https://www.mricop.com.kh has a transparency statement that the various types of mandatory documents are publicly available.</p>	Complied
<ul style="list-style-type: none"> Land titles/user rights (Criterion 2.2); 	<p>Copies of the land titles maintained at the Mill and Estates verified to be in order. The Corporate Office kept the original copies.</p>	Complied
<ul style="list-style-type: none"> Occupational health and safety plans (Criterion 4.7); <p>Major Compliance</p>	<p>Detailed documented plan of OSH was reviewed and updated for the mills and estates.</p> <p>The Risk Assessment (Hazard Identification, Analysis and Risk Control) had included controls implemented at the mills and estates.</p>	Complied



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	<p>Accident and Emergency Procedure SOP-GA-021 documented and implemented.</p> <p>OSH Policy and Plans were implemented and included activities such as:</p> <ul style="list-style-type: none"> - OSH/ESG (Environment, Social, Gender Sub-committee meetings held 4x per year). - Safe Work Practices / Safe Job Procedures. - PPE at mills and estates. - Health medical check-up (annual). - Emergency preparedness. - First Aid training. - Fire extinguisher. - Ambulance services. 	
<p>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</p> <p>Major Compliance</p>	<p>EIA and SIA for the mills and estates carried out by Green Consultancy Group (SEIA Report for Estate A & Estate B dated Nov 2011 and SEIA Report for Estate C dated May 2014). Environmental and Social Impacts Assessment and Management Plans for the mills and estates were annually reviewed and action plans implemented.</p> <p>Environmental impact improvement items included:</p> <ul style="list-style-type: none"> - Environmental & Biodiversity Policy (zero burning, compliance with laws, HCV, Best Agriculture Practice). - Environmental Aspects and Impacts. - Pollution Prevention & Mitigation Plans. <p>Social impact improvement items included:</p> <ul style="list-style-type: none"> - Stakeholder consultations on land ownership, availability of resources (firewood, water & road access). - Employment opportunity & wages. - Contribution to the community (sports facilities & festivities). - Housing for workers. 	<p>Complied</p>
<p>• HCV documentation summary (Criteria 5.2 and 7.3);</p> <p>Major Compliance</p>	<p>Based on the SEIA survey and evaluation, there is only a small HCV area at this PMU, which is the Khmer soldiers' burial site in Estate D and the community forest outside the boundary of Estate C.</p> <p>The New Planting area in Estate C did not contain any HCV as reported by the Environmental/HCV consultant report dated Mar 2012.</p> <p>Annual review of Management and Monitoring Plan of HCV area carried out in Apr 2017.</p> <p>It is verified during current assessment on site that there is no change to the HCV area.</p>	<p>Complied</p>
<p>• Pollution prevention and reduction plans (Criterion 5.6);</p> <p>Major Compliance</p>	<p>Pollution Prevention & Mitigation Plans were reviewed annually for the Anlong Kropeu Mill and Monorum Mill respectively.</p> <p>Key pollutants such as discharge to water ways, emissions to air, contamination to land, and noise pollution were identified.</p> <p>Action Plans, Monitoring and Management Program, Continuous Improvement Plans for pollution prevention identified, implemented and monitored.</p> <p>Pollution Prevention Plan for MRICOP Plantation</p>	<p>Complied</p>



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	Estates A, B, C & D, including Central Workshop & Health Dispensary were reviewed on 25 Apr 2017. Documented pollution prevention and reduction plans include measures for pollution control, pesticides reduction, plantation waste management, schedule wastes and domestic wastes disposal, reuse and recycling. Action Plans, Monitoring and management Program, Continuous Improvement Plans for pollution prevention identified, implemented and monitored.	
<ul style="list-style-type: none"> • Details of complaints and grievances (Criterion 6.3); <p>Major Compliance</p>	Complaints and grievances process flowchart and its details are defined in SOP-GA-019 Rev 01 dated 01 May 2017. MRICOP has included the necessary details for handling complaints and grievance. For the period Jul 2016 to Jun 2017, there was no complaint received.	Complied
<ul style="list-style-type: none"> • Negotiation procedures (Criterion 6.4); <p>Major Compliance</p>	Negotiation process flowchart and its details are defined in SOP-GA-022 Rev 00 dated 01 May 2016. MRICOP has applied the process for land acquisition and compensation for the land bought from the villagers in Estate C that complied with FPIC requirements.	Complied
<ul style="list-style-type: none"> • Continual improvement plans (Criterion 8.1); <p>Major Compliance</p>	The PMU has identified and implemented Continuous Improvement Plans for the mills and estates.	Complied
<ul style="list-style-type: none"> • Public summary of certification assessment report; <p>Major Compliance</p>	Public summary of certification assessment reports are available in the company website. These reports may be available from the company upon request.	Complied
<ul style="list-style-type: none"> • Human Rights Policy (Criterion 6.13). <p>Major Compliance</p>	SOP-GA-025 Rev 01 dated 23 May 2016 on Code of Ethical Conduct and Human Rights. The Human Rights Policy has been communicated to all levels of the workforce and operations. Copies of the policy found to be displayed at prominent locations in the mills and estates.	Complied
Criteria 1.3		
Growers and millers commit to ethical conduct in all business operations and transactions.		
Indicators	Findings and Objective Evidence	Compliance
1.3.1 There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	The Policy of commitment to a Code of Ethical Conduct and Integrity was documented and signed on 06 May 2016 by the MRT-TCC JV President, Mr. Surat Poobankerdpol. The policy was communicated to all levels of the workforce and operations. Copies of the policy found to be displayed at prominent locations in the mills and estates.	Complied

Principle 2: Compliance with applicable laws and regulations

Criteria 2.1		
There is compliance with all applicable local, national and ratified international laws and regulations.		
Indicators	Findings and Objective Evidence	Compliance
2.1.1 Evidence of compliance with relevant legal requirements shall be available.	Compliance with land titles and user rights for Estate A and Estate B evidenced by the Land Concession Contract dated 09/01/1996 between the Cambodian Ministry of Agriculture, Fishery and Forest (AFF) and	Complied



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Major Compliance	<p>MRICOP for a period of 70 years (commencing from year 1997) with use of the lands for agriculture. Land ownership of Estate C and Estate D freehold lands for agriculture use evidenced by a purchase document dated 27/07/2011. Additional lands in Estate C acquired in 2014 complied with FPIC requirements.</p> <p>Environmental and Social Impact Assessments confirmed activities to be in compliance with laws and sub decrees related to environment and social issues. Licenses and permits for operations are valid and displayed at the Monorum POM and Anlong Kropeu POM.</p> <p>A list of applicable laws and sub decrees is available and reviewed, at least annually for updates by the Head of Quality & Sustainability Management (Mr. Khiev Sothy). No change in laws for the period Jul 2015 to Jun 2016.</p> <p>Based on the site observations, interviews and records checking at the field and mill, there were evidences of compliance with the applicable local, national laws and legal requirements detailed in the Cambodia Local Indicators.</p> <p>Cambodia is listed by the United Nations as under the 'Least Developed Country' – LDC status and is exempted from full compliance with the applicable ratified International Conventions.</p>	
<p>2.1.2 A documented system, which includes written information on legal requirements, shall be maintained.</p> <p>Minor Compliance</p>	The listing of all the relevant laws applicable included the international laws and conventions ratified by the Cambodian government are documented in the Summary of Laws and Regulations.	Complied
<p>2.1.3 A mechanism for ensuring compliance shall be implemented.</p> <p>Minor Compliance</p>	<p>The PMU has established a documented system explaining the mechanism for identifying, determining, reviewing and updating applicable legal and other requirements that the PMU has subscribed (Document Ref. rev 06 "Mechanism for Implementation of Legal Requirements and System for Tracking Changes in the Law).</p> <p>Monitoring of compliance by departments and RSPO Sustainability Core Team.</p> <p>Operating licenses and permits were displayed, renewed and evidenced to be valid. Statutory returns were settled and receipts filed were sighted.</p> <p>Based on the site observations, interviews and records updated, the system used is appropriately tracking the operations at the PMU.</p>	Complied
<p>2.1.4 A system for tracking any changes in the law shall be implemented.</p> <p>Minor Compliance</p>	Monitoring of changes to the applicable laws and regulations carried out through periodical review in accordance with the documented procedure/mechanism and last review carried out on 27 May 2017.	Complied
<p>Criteria 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.</p>		
Indicators	Findings and Objective Evidence	Compliance
2.2.1 Documents showing legal ownership or lease, history of land tenure (confirmation from community)	Legal ownership of the land and land tenure for Estate A and Estate B evidenced by the Land Concession	Complied



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<p>leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land and the actual legal use of the land shall be available.</p> <p>Major Compliance</p>	<p>Contract between the Cambodian Ministry of Agriculture, Fishery and Forest (AFF) and MRICOP dated 09/01/1996 for a period of 70 years with use of the lands for agriculture. Legal ownership of Estate C freehold land for agriculture use evidenced by a purchase document dated 27/07/2011. Estate C was previously cultivated with sugarcane. Estate D is the result of the division of the large Estate C into a smaller Estate C and a new Estate D (Kirivon). There is no current land dispute in the PMU.</p>	
<p>2.2.2 There is evidence that physical markers are located and visibly maintained along the legal boundaries adjacent to state land, NCR land and reserves.</p> <p>Minor Compliance</p>	<p>Verified that there has been no change to the stated land titles and designated use for agricultural use. Boundary stones including other markers such as roads and trenches were found to be visually maintained and were within the perimeters as indicated in the land concession/title. The audit team verified that no planting was done beyond the legal boundary. Legal boundary markers identified in a location map were sighted and maintained along the perimeters of estate lands which were mapped with a differential Global Positioning System (GPS).</p>	Complied
<p>2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).</p> <p>Minor Compliance</p>	<p>The mechanism to resolve any land conflict is established and in place (SOP-GA-22 General Negotiation dated 01 May 2016 Rev 00). The PMU had initiated negotiation and compensation process to resolve some land compensation claims with villagers at Estate C in year 2013 and year 2014. There was evidence of satisfactory resolution of the claims as reported in the previous assessments. Verified that there is currently no land dispute requiring any compensation claim.</p>	Complied
<p>2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved.</p> <p>Major Compliance</p>	<p>Confirmed that there is no current land conflict.</p>	Complied
<p>2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities and relevant authorities where applicable).</p> <p>Minor Compliance</p>	<p>The process of participatory mapping was seen in the resolution of the claims as reported in previous assessments.</p>	Complied
<p>2.2.6 To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations.</p> <p>Major Compliance</p>	<p>There was no instigated violence seen in the resolution of the claims reported in previous assessments.</p>	Complied
<p>Criteria 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>2.3.1 Maps of an appropriate scale showing the extent of recognised legal,</p>	<p>There are no customary lands in the concession areas (Estate A and Estate B) and legally owned land (Estate</p>	Complied



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<p>customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p>Major Compliance</p>	<p>C and D). Cultivation of oil palm in these lands has not diminished any legal rights of villagers either.</p> <p>There is currently no land dispute requiring compensation claim.</p>	
<p>2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>Minor Compliance</p>	<p>There is currently no land dispute and as such this process is not applicable in this assessment.</p>	<p>Not applicable</p>
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>Minor Compliance</p>	<p>There is currently no land dispute and as such this process is not applicable in this assessment.</p>	<p>Not applicable</p>
<p>2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>Major Compliance</p>	<p>There is currently no land dispute and as such this process is not applicable in this assessment.</p>	<p>Not applicable</p>

Principle 3: Commitment to long-term economic and financial viability

<p>Criteria 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>



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<p>3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p>Major Compliance</p>	<p>Verified that presently, there is only one PMU owned by MRICOP. Currently the MRICOP Grouping comprise of 2 POMs and 4 common supply base estates (Estate A, B, C and D) which still meet the requirements of 4.2.3 and 4.2.4 of RSPO Certification Systems Standard. There are no scheme smallholders in the supply base to the PMU.</p> <p>The Management cum Business Plans has documented details of the 5-year Cash Flow Budgets for year 2016 to 2020 covering the mills and estates. The management plans included items such as the planted areas, areas for harvesting, FFB harvesting (MT FFB/ha), CPO production, %OER, PK production, %KER, revenue, direct costs, indirect costs, net profit, development costs and net cash flow. Mill operational budget/cost include production, maintenance and renewal of permits. Estate operational budget/cost include labour, transport, agrochemicals, fertilizers and other costs documented for operations such as spraying, slashing, weeding, drainage, manuring mulching, pruning, pest disease control, roads and bridges construction and maintenance. New planting, Immature and Mature estate areas upkeep cost/ha and Harvesting cost/mt were also documented. The budget also provided for annual social and environmental programs.</p>	<p>Complied</p>
<p>3.1.2 An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p>Minor Compliance</p>	<p>Annual replanting programme had been projected up to year 2022 subject to yearly review. Currently, no replanting is required as first planting started in year 1997.</p>	<p>Complied</p>

Principle 4: Use of appropriate best practices by growers and millers

<p>Criteria 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented.</p> <p>Major Compliance</p>	<p>The estates and mills had the relevant Standard Operating Procedures and these are verified to be in order.</p>	<p>Complied</p>
<p>4.1.2 A mechanism to check consistent implementation of procedures shall be in place.</p> <p>Minor Compliance</p>	<p>The mechanism to check the implementation of SOPs was available. Records had been kept by the staff concerned for each operation to monitor the procedure and progress of work, and these records were verified by the Manager regularly.</p>	<p>Complied</p>
<p>4.1.3 Records of monitoring and any actions taken shall be maintained and available, as appropriate.</p> <p>Minor Compliance</p>	<p>The records of monitoring and the actions taken had been maintained at both the mills and supplying estates. These records had been verified to be satisfactory.</p>	<p>Complied</p>



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<p>4.1.4 The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).</p>	<p>Records of the FFB crop is verified to be only from the group estates.</p>	<p>Complied</p>
<p>Major Compliance</p> <p>Criteria 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>4.2.1 There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible.</p>	<p>GAP for minimization of soil erosion and maintenance of soil fertility is maintained via the frond stacking and fertilizer application as per the recommendations provided by Prince of Songkla University, Songkla, Thailand in year 2016 and 2017.</p>	<p>Complied</p>
<p>Minor Compliance</p> <p>4.2.2 Records of fertiliser inputs shall be maintained.</p>		
<p>4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.</p>	<p>Leaf sampling and analysis had been carried out annually to determine the nutrient levels for fertilizer recommendations that aimed to sustain the long term soil fertility and nutrient efficiency</p> <p>Analysis of the leaf samples were carried out by the National Agriculture Laboratory of the Cambodian Government.</p> <p>Soil survey and analysis for the estates had been carried out on 25-30 Apr 2016 by Agricultural Technical Service from Phnom Penh.</p>	<p>Complied</p>
<p>Minor Compliance</p> <p>4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.</p>		
<p>4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.</p>	<p>EFB had been applied around the palm circle in the estates.</p>	<p>Complied</p>
<p>Minor Compliance</p>		
<p>Criteria 4.3 Practices minimise and control erosion and degradation of soils.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>4.3.1 Maps of any fragile/marginal soils shall be available.</p>	<p>Soil maps had shown some fragile soil at Estate C in Div. C2 and C3 (about 75 ha). The fragile soil areas are considered to be minimal against the overall size of the planted areas of the estates.</p> <p>Mitigating measures such as planting of leguminous cover crop, application of EFB, stacking of fronds, and fertilizer applications had been planned and carried out as and when applicable to improve the soil conditions.</p>	<p>Complied</p>
<p>Major Compliance</p> <p>4.3.2 A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP.</p>		
<p>4.3.2 A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP.</p>	<p>Planting terraces had been constructed on land with slope > 10° in Estate C. Records and maps on terraces constructed had been verified on Estate C.</p> <p>Estate A topography is generally flat and therefore does not require terraces.</p> <p>There was no soil erosion noted during the visit.</p>	<p>Complied</p>
<p>Minor Compliance</p>		



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<p>4.3.3 A road maintenance programme shall be in place.</p> <p>Minor Compliance</p>	<p>Road maintenance programme and work done records had been verified to be in order. The condition of the roads in the estates are generally satisfactory.</p>	<p>Complied</p>
<p>4.3.4 Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.</p> <p>Major Compliance</p>	<p>There was no peat soil on Estates A and C. This had been confirmed during field visit. Thus this is not applicable.</p>	<p>Not applicable</p>
<p>4.3.5 Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.</p> <p>Minor Compliance</p>	<p>As above.</p>	<p>Not applicable</p>
<p>4.3.6 A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils).</p> <p>Minor Compliance</p>	<p>There are no problematic soils (e.g. podzols nor acid sulphate soils) on Estates A and C as verified during field inspection and visit.</p> <p>Fronk stacking and fertilizer application based on foliar analysis were carried out to maintain the soil fertility.</p>	<p>Complied</p>
<p>Criteria 4.4 Practices maintain the quality and availability of surface and ground water.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>4.4.1 An implemented water management plan shall be in place.</p> <p>Minor Compliance</p>	<p>Water management plan was in place and verified to be in order.</p>	<p>Complied</p>
<p>4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.</p> <p>Major Compliance</p>	<p>Buffer zones which were marked at the estates were maintained with no application of agrochemicals for the protection of the water courses.</p>	<p>Complied</p>
<p>4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p>Minor Compliance</p>	<p>In Monorum Palm Oil Mill, water samples were taken at the final discharge points of the effluent pond. Samples were drawn for analysis in Jan, Feb and May 2017. Results of BOD level had ranged between 71 to 87 ppm, averaging at 81 ppm, up till May 2017.</p> <p>In Anlong Kropeu Mill, land application was made as BOD levels were still within the limits allowable for land application set by the Environmental Ministry of Cambodia.</p> <p>The upper limit specified by Cambodian Government was 500 ppm for land application and 80 ppm for discharge to water way.</p>	<p>Complied</p>
<p>4.4.4 Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.</p> <p>Minor Compliance</p>	<p>The usage of water at the Mills are monitored monthly. In Monorum Mill, monitoring of water usage in the mill averaged at 2.34 m³/tonne FFB till May 2017. In Anlong Kropeu Mill, the water consumption for Jan-May 2017 was at 2.35 m³/tonne FFB.</p>	<p>Complied</p>
<p>Criteria 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>



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<p>4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored.</p> <p>Major Compliance</p>	<p>Records for the planting and monitoring of beneficial plants such as <i>Cassia cobanensis</i>, <i>Antigonon leptopus</i>, <i>Tunera subulata</i> and their respective locations on the field maps were available. Pest infestation was noted to be minimal on the estates.</p> <p>Bagworms infestation was treated and found to be effective.</p> <p>Action taken on OBS# AL-01 from the previous assessment verified to be effective.</p>	<p>Complied</p>
<p>4.5.2 Training of those involved in IPM implementation shall be demonstrated.</p> <p>Minor Compliance</p>	<p>Training records for personnel on IPM implementation were available and was verified on-site to be satisfactory during field assessment.</p>	<p>Complied</p>
<p>Criteria 4.6 Pesticides are used in ways that do not endanger health or the environment.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>4.6.1 Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>Major Compliance</p>	<p>Written justification in Standard Operating Procedures of all agrochemicals use had been reviewed and found acceptable.</p>	<p>Complied</p>
<p>4.6.2 Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.</p> <p>Major Compliance</p>	<p>Records of pesticides and their active ingredients used, LD50, area treated, amount of a.i. applied per ha, and number of applications had been maintained and kept since 2011. Verified that records of monitoring were satisfactorily.</p>	<p>Complied</p>
<p>4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice.</p> <p>Major Compliance</p>	<p>It had been the policy of the estates to minimize the use of pesticides in accordance with integrated pest management. No prophylactic use of pesticides had been carried out at the estates for the period concerned.</p>	<p>Complied</p>
<p>4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000).</p> <p>Minor Compliance</p>	<p>It is the policy of the group to discontinue the use of Paraquat since Feb 2012. Verified that this policy has been adhered to on-site.</p>	<p>Complied</p>
<p>4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions</p>	<p>All pesticide operators had been given training on the handling and application of the pesticides. Appropriate safety and application equipment had been provided and used by the operators. All precautions attached to the products had been observed, applied, and understood by the workers.</p>	<p>Complied</p>



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<p>attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). Major Compliance</p>	<p>Programme and training records had been verified to be satisfactory. The PMU has adequate facilities for the mixing of pesticides and cleaning up after work. There are suitable storage areas for PPEs and overalls.</p>	
<p>4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance</p>	<p>Storage of pesticides found to be in accordance with the Occupational Safety and Health Laws and Regulations and local laws on pesticides control. At Estate C, the self-drawn poison symbol for Glyphosate container at the Central Store need to be replaced with the proper international poison symbol (skull and crossed bones symbol).</p>	<p>OBS# CBK-01</p>
<p>4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance</p>	<p>Pesticides had been applied using the proven methods (Best Management Practices) that minimize risk and impacts. Warning notice displayed in the areas sprayed with pesticides. The management kept a daily records of pesticide operators that record the number of days that they had worked as sprayers.</p>	<p>Complied</p>
<p>4.6.8 Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance</p>	<p>The PMU does not practice aerial application of pesticides. This practice has been adhered.</p>	<p>Complied</p>
<p>4.6.9 Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. (see Criterion 4.8). Minor Compliance</p>	<p>Periodic training on pesticide handling had been carried out. Material Safety Data Sheets for the pesticides were available in the store.</p>	<p>Complied</p>
<p>4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). Minor Compliance</p>	<p>Drums had been punctured with holes at bottom and kept in the store. Some of the 20 litre drums were reused for holding diluted chemical mixture for spraying. The mills are also keeping the containers for hazardous chemicals in the store until the relevant authority comes out with a guideline on the procedure for disposal.</p>	<p>Complied</p>
<p>4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance</p>	<p>The Mills had together sent 20 workers for medical surveillance on 18 Jun 2017. The Estates had sent 32 pesticide sprayers for medical surveillance in Feb and May 2017. The medical results as obtained from the Oknha Mong Port Clinic have indicated that all the workers were still fit to perform their respective work.</p>	<p>Complied</p>
<p>4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance</p>	<p>Verified from records and through interviews with female field workers that no pregnant or breast-feeding woman had been offered work which required her to handle hazardous chemicals.</p>	<p>Complied</p>



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Criteria 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.		
Indicators	Findings and Objective Evidence	Compliance
<p>The occupational health and safety plan shall cover the following:</p> <p>4.7.1 An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p> <p>Major Compliance</p>	<p>Occupational Safety and Health (OSH) Plan in compliance with OSH Act and Factory Machinery Act was documented and implemented.</p> <p>OSH policy was clearly displayed at POM and in estates office. Workers had demonstrated awareness towards occupational safety and health policy.</p> <p>Risk assessment carried out on all operations where health and safety is an issue (e.g. noise exposure, pesticides/chemicals exposure, accident, fire).</p> <p>POMs and the estates established their accident reporting KPI, and incident monitoring implemented.</p> <p>Procedures and actions documented and implemented on the issues concerned.</p> <p>Training programmes for year 2017 were implemented. Records of training on safe working practices for workers involved in pesticides spray, use of fire extinguishers, awareness & understanding of MSDS/CSDS, First Aid boxes were sighted at both POMs and estates.</p> <p>Precautions attached to products properly observed and applied to workers in all estates.</p> <p>Appropriate PPE (safety boots, safety helmets, rubber boots, cartridge masks, safety goggles, gloves) verified to be provided. Ear protective device put on by workers working at engine rooms POM.</p> <p>There were records maintained for the yearly audiometric test conducted for the listed mill workers.</p> <p>The results indicated that there were no issues of any hearing impairment suffered by the workers.</p> <p>The PMU had provided the appropriate PPE at the place of work to cover all potentially hazardous operations such as pesticides application, and harvesting.</p> <p>The Safety & Health officer was responsible for overall in change of safety and health planning, operation & coordination.</p> <p>Adequate fire extinguisher and hose reels found to be located at strategic locations, operational and maintained in good conditions at the Mills, Estates offices and housing areas.</p> <p>Training in First Aid for estate field supervisors was carried out and records maintained.</p> <p>First Aid Kits and equipment was available at POMs, estates and at worksite. Samples of First Aid boxes were checked and contents found to be complete and in usable order at Estate A and Estate C, where harvesting and weed slashing activities were observed during field visit.</p>	Complied
<p>4.7.2 All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be</p>	<p>Noise mapping within the mill was conducted on 30/04/2017. The work areas was recorded with the noise level of 83.8db and at the power generation area, the noise level was 87db. This was risk assessed and the control measure was to use ear plug. Noise levels at the</p>	



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<p>properly observed and applied to the workers.</p> <p>Major Compliance</p>	<p>boiler station and the sterilization unit recorded as between 83.8db and 87db.</p> <p>The Control of Noise Pollution (2000) as specified in Annex 7 was complied with as the mill workers were observed to have used ear plugs at the mill during operations and their working time was on 8 hour shift with a 1 hour break.</p> <p>At Monorum Mill</p> <ol style="list-style-type: none"> During visit to the Mechanical Workshop at the Monorum Mill, it was observed that the mechanics were not using eye protection equipment (e.g. safety glasses or goggles) when operating lathe machine, grinding metal and assisting in welding operation. The control measure defined in the Risk Assessment for Workshop was to use protective goggle. The procedure for Laboratory stated there shall be an emergency shower at the Laboratory but there was no emergency shower available. At the chemical store of the Laboratory, some pages of the safety data sheets (e.g. for Nalco 356, Isopropanol, Sodium Hydroxide, petroleum ether) were not legible. There was no safety barrier around the generator set which was set up outside the gen-set room at the mill. <p>At Estate A One of the control measures (as defined in the Risk Assessment) for preventing injury to harvesters is to wear gloves. However, during visit to Block B, it was observed that 2 harvesters were not wearing gloves.</p> <p>At Estate C At the Central Store in Estate C, Chemical Safety Data Sheets (CSDS) were available. However, it was found that these CSDS were in English. On interviewing the workers at the store, these workers confirmed that they could not understand the content of the CSDS and that they were illiterate in the English Language.</p>	<p>Major NC# CBK-01</p>
<p>4.7.3 All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>Major Compliance</p>	<p>Training programme had been carried out.</p> <p>All workers involved had been adequately trained on the safe working practices for the respective field work. The training programme included training on exposure to high noise level and control measures for protection of hearing and requirements of annual audiometric test.</p> <p>Appropriate PPE had been provided to all workers at the place of work to cover all potentially hazardous operations.</p>	<p>Complied.</p>
<p>4.7.4 The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at</p>	<p>At the Monorum Mill, Anlong Kropeu Mill and Estates A and C, regular OSH meetings between responsible persons and the workers had been carried out at quarterly intervals and meeting records were maintained. Issues raised were followed up and these were verified.</p>	<p>Complied</p>



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these meetings, and any issues raised shall be recorded.		
Major Compliance		
<p>4.7.5 Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>Minor Compliance</p>	<p>Accident and emergency procedures had been written and briefed to staff, workers, contractors and visitors. Workers trained in First Aid were present in the mill and field operations. The items and contents were regularly checked and topped up when needed. Records of checking were available and maintained. Records on all accidents had been verified to be maintained satisfactorily. Review on accident cases had been carried out during quarterly meeting of the Environment, Safety, & Health (ESH).</p> <p>There were occurrence of accidents at the Sterilizer Stations in the Anlong Kropeu Mill on 20 Apr 2017 and in Monorum Mill on 18 Jun 2017. These accidents were reported, investigated and follow up actions were proposed and time frame for implementation was recommended.</p> <p>However, there were no evidence that reassessment of the risk for the Sterilizer operation was conducted.</p> <p>As a consequence of the findings relating to the accident on 18/06/2017 at FFB Sterilizer Station (Monorum Mill), the SOP-CM-022 Machinery Safety should include the new and additional measures and instructions (e.g. workers to stay clear of the rope, routine checking of the rope, etc.).</p>	<p>Minor NC# CBK-01</p> <p>OBS# CBK-02</p>
<p>4.7.6 All workers shall be provided with medical care, and covered by accident insurance.</p> <p>Minor Compliance</p>	<p>Medical care had been provided to all the workers via the estate clinics. Local workers are covered by National Social Security Fund (NSSF) and Healthcare and Accident insurance is covered under Prevoir Insurance which is valid till Mar 2018.</p>	Complied
<p>4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.</p> <p>Minor Compliance</p>	<p>The Mill and estates had recorded the occupational injuries using the Lost Time Accident metrics.</p>	Complied
<p>Criteria 4.8 All staff, workers, smallholders and contract workers are appropriately trained.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>4.8.1 A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>Major Compliance</p>	<p>A formal training programme on all aspects of RSPO Principles and Criteria was established and implemented. Training for various categories of office management, operations and sustainability team members with regards to their roles and duties were reviewed and acceptable.</p>	Complied
<p>4.8.2 Records of training for each employee shall be maintained.</p> <p>Minor Compliance</p>	<p>Records for training attended by individual employees including refresher briefing /training for field workers were verified to be maintained.</p> <p>At Anlong Kropeu Mill, the Personal Training Record should be updated as soon as training has been conducted (noted a time delay as long as 12 months).</p>	<p>OBS# CBK-03</p>



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Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

Criteria 5.1		
Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.		
Indicators	Findings and Objective Evidence	Compliance
<p>5.1.1 An environmental impact assessment (EIA) shall be documented.</p> <p>Major Compliance</p>	<p>Environmental and Social Impacts Assessment (EIA and SIA) for Monorum POM, Estate A, B and C carried out in Nov 2011 by Green Consultancy Group and documented. Additional EIA for the Anlong Kropeu POM was carried in May 2014 by the same consultant.</p> <p>The EIA and SIA and Management Plans for the mills and estates were reviewed on 25 Apr 2017 and progressively implemented.</p> <p>Contents of the EIA report had included the following matters:</p> <ul style="list-style-type: none"> • The laws related to environment and pollution. • Positive and negative impacts of aspects were assessed with mitigation plans. • The soils with geology and parent materials were documented. • The polluting activities with direct impact on water bodies and air. • The wildlife, flora and fauna and its classification of rare, threatened and endangered species (RTE) potentially existing in and around the vicinity of the extended areas. 	Complied
<p>5.1.2 Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons.</p> <p>Minor Compliance</p>	<p>The environmental aspects and impacts have been identified. Environmental Management and Monitoring Plans have been established and implemented at the mills and estates. The plans were sufficiently comprehensive and persons responsible i.e. the respective Mill Managers and Estate Managers were identified.</p> <p>The plans had included the aspects and impacts identified from field activities that include fertilizing, spraying, transportation of FFB, garbage disposal and road maintenance. Action plans and recommendations in order to mitigate negative effects and promote positive ones such as sewage, landfills and conservation activities applicable to the entire PMU was monitored.</p>	Complied



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<p>5.1.3 This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>Minor Compliance</p>	<p>The documented environmental plans and monitoring of operational changes was reviewed on an annual basis. Implementation on the effectiveness of mitigation measures was also reviewed.</p> <p>Reviews were done by the respective Mill Managers and Estate Managers for year 2017.</p> <p>Details of daily operational activities and its aspects of negative and positive impacts including fertilizer usage, pesticide spraying, waste disposal and environmental emissions at the mills and estates were made available.</p> <p>Monitoring of air quality emissions from the stack discharge was carried out for both mills.</p>	<p>Complied</p>
<p>Criteria 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.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>5.2.1 Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>Major Compliance</p>	<p>HCV assessment carried out by an RSPO approved HCV consultant, Environ Logic Consultancy and report dated Mar 2012. The HCV assessment made was in accordance with the recommended RSPO-‘HCVF Toolkit’. Conservation and HCV areas were identified at the mills and estates with estimated size/ hectareage indicated. There was only a small HCV area at this PMU, which is the Khmer soldiers’ burial site in Estate D and the community forest outside the boundary of Estate C. The annual review of Conservation and HCV areas was carried out and documented on 25 May 2017 (Baseline Biodiversity Assessment Report for MRICOP Plantation). It is verified during current assessment on site that there is no change to the HCV area.</p> <p>At Estates A and C, the landscape maps indicated certain areas as mountains at the boundaries to the estates. It is more accurate to indicate the vegetation of these mountains.</p>	<p>Obs# SH-01</p>
<p>5.2.2 Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan.</p> <p>Major Compliance</p>	<p>Action plans had included the monitoring and control of any illegal hunting, fishing or collecting activities. Signboards for conservation areas, buffer zones and signages that prohibit hunting, fishing and water polluting activities were verified on-site and found to have been satisfactorily maintained. Signage placed at the border of the community forest at Estate C.</p> <p>Both Estates A and C have forested mountain on their boundaries. Additional signages should be erected at strategic locations.</p> <p>At Estate C, the extent of buffer zone was not clearly demarcated at certain stretches along the river passing through field C3. Also, at water sampling point E2 at the river, there is a small signage. This signage should be made more prominent in order to indicate the importance of the area.</p>	<p>Obs# SH-02</p> <p>Obs# SH-03</p>
<p>5.2.3 There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any</p>	<p>The estates management has undertaken appropriate measures to control any illegal or inappropriate hunting, fishing or collecting activities within the estates. ‘Conservation Zone’ signages and “no hunting” policy were prominently displayed and verified to be maintained</p>	



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<p>individual working for the company is found to capture, harm, collect or kill these species.</p> <p>Minor Compliance</p>	<p>during field visit. However, there was no clear program to regularly educate the workforce on the status of rare, threatened or endangered (RTE) species and the appropriate measures to be taken in accordance with the company rules and national law if any individual is found to capture or kill the RTE species.</p>	<p>Minor NC# SH-01</p>
<p>5.2.4 Where an action plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the action plan. <p>Minor Compliance</p>	<p>Environmental Management & Monitoring Plan had included monitoring at the Conservation & HCV areas for potential RTE such as rare species of birds (as per the list of MAFF 2007) in the concession areas of Estates A and C & D, e.g. Siamese Fireback and Chestnut-Headed Partridge and wildlife such as the nocturnal Slow Loris (under the IUCN list). Regular patrols within the PMU estates, i.e. at least once monthly, had been carried out by the Estate Executives or Assistant Managers to monitor the Conservation / buffer zone areas and RTE species, and the reporting was done on an ad-hoc basis. Both Estate A and Estate C have forested areas on their boundaries. However, the management plan for these areas did not contain the ongoing monitoring of the status of HCV and RTE species as there was no regular reporting on the ground situation. As a Minor NC# OCL-01 had been raised against the same requirement in the previous assessment, this finding is now upgraded to Major NC as it is a recurring non-conformance.</p>	<p>Major NC# SH-01</p>
<p>5.2.5 Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>Minor Compliance</p>	<p>It is verified that there has been no instance of HCV set-aside that conflicts with the rights of local communities at the PMU. Thus agreement of such nature was not required. The Local Community forest at Cheung Ka Lo village is located some 20 km away from the PMU Estate C.</p>	<p>Complied</p>
<p>Criteria 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>5.3.1 All waste products and sources of pollution shall be identified and documented.</p> <p>Major Compliance</p>	<p>Documentation on the identification of all the waste products such as scheduled waste, domestic waste, clinical waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, stack emissions and boiler ashes were maintained and monitored at the PMU. Segregation of wastes, i.e. general wastes and scheduled wastes was verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes.</p>	<p>Complied</p>
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly.</p> <p>Major Compliance</p>	<p>The management has identified the listing of all the types of wastes at the mills and estates. Scheduled wastes such as used engine and filter oils were kept separately in a schedule waste store. A record is kept on the quantity of used oil stored at the waste store. Rags and empty filters were also stored in the same scheduled waste store. Used vehicle batteries were kept in a separate store.</p>	<p>Complied</p>



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	<p>Empty pesticide containers were kept in another store. The empty fertilizer bags were stored separately. Empty fertilizer bags were reused for the collection of loose fruits.</p> <p>Workshops were noted to be using drip trays (oil spillage containment pits) at the time of changing of oil.</p> <p>It has been verified that scheduled wastes were not mixed with domestic wastes.</p>	
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>Minor Compliance</p>	<p>Waste Management Plan has been documented since 2011 and reviewed on 24 May 2016.</p> <p>Controls for the storage and disposal of items under scheduled or hazardous wastes have been adequately implemented. Waste disposal contractors are monitored. Currently, the local Cambodian laws have no specific requirements for disposal of scheduled wastes, (including used High Density Polyethylene – HDPE, pesticide containers) for the plantation sectors.</p> <p>Recycling of crop residues / biomass i.e. EFB and POME had been implemented. Management EFB application plans and progress reports were verified to be satisfactory.</p> <p>No discharge of POME directly into any water sources or rivers was observed. POME is 100% dried and recycled for use as fertilizer application in the fields.</p> <p>Landfills for both estates A and C were found to be satisfactorily managed, fenced, and the sites were located away from water bodies. Methods of disposal e.g. landfill locations /size and recycling methods or methods for reduction of pollution were documented and monitored.</p> <p>The corrective action taken on previous assessment Major NC# OCL-01 verified to be effective.</p>	Complied
<p>Criteria 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p>Minor Compliance</p>	<p>The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fiber and PK shells were used as renewable energy/fuel.</p> <p>Monthly records of energy consumption of non-renewable and renewable fuel per metric tonne of palm product at the POM were available.</p> <p>It was verified that energy usage was monitored and data compiled at the POM for comparison and control.</p> <p>Usage of electricity, diesel and water was tabulated and made available during the audit monitored on a monthly basis. There was substantial increase in the usage of diesel in the mill due to the increase in the production of oil palm fruits.</p> <p>At the estate, diesel consumption per metric ton FFB was also monitored on a monthly basis.</p>	Complied
<p>Criteria 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>		
Indicators	Findings and Objective Evidence	Compliance



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<p>5.5.1 There shall be no land preparation by burning, other than in specific situations as identified in the <i>'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003</i>, or comparable guidelines in other regions.</p> <p>Major Compliance</p>	<p>The 'No Open Burning' policy established by MRICOP PMU established since 2011 has been maintained at the mill and estates. The management has suitable firefighting plans, equipment and facilities for new planting areas. Fire prevention belts are prepared during drought season along the boundaries. Fire trucks with water pumps and engines remained on standby in case of any incidence of fire outbreak.</p> <p>The management continues to maintain support for any fire control of surrounding and neighboring villagers, when needed or requested.</p>	<p>Complied</p>
<p>5.5.2 Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in <i>'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003</i>, or comparable guidelines in other regions.</p> <p>Minor Compliance</p>	<p>The PMU has adhered to the 'zero burning' policy.</p> <p>There was no replanting at the estates.</p> <p>There was no evidence of any burning of domestic waste at the housing line sites and at the sanitary landfills of the estates during on site field assessment.</p>	<p>Complied</p>
<p>Criteria 5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p> <p>Major Compliance</p>	<p>The PMU had reviewed the environmental impact assessment on potential pollution to air, water and contamination on land on an annual basis. The latest Environmental Impact Assessment, management, action plans were conducted on Apr 2017.</p> <p>POME treatment, monitoring and land application is monitored and records maintained.</p>	<p>Complied</p>
<p>5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>Major Compliance</p>	<p>Significant pollutants and greenhouse gas (GHG) emissions were identified, e.g. POME, diesel / fuel, fertilizer and pesticide usage have been documented and maintained at the PMU. Plans to reduce or minimise them were available and progressively implemented.</p> <p>Pollution Mitigation Plan complete with all identified polluting activity has been prepared in accordance with local regulations and sub-decree.</p> <p>Sources of pollution included stack emissions, boiler ash and run off and control measures needed were identified. Latest report on air emission monitoring at the mills was on 30 Apr 2017.</p> <p>It was verified that the POME is treated in the aerobic, anaerobic ponds prior to final discharge point.</p> <p>Water samples were regularly taken at the mills and estates and tested by Government recognised external lab at Phnom Penh. Analysis reports are reviewed by respective mill and estate managers. Records are maintained and verified on-site to be satisfactory.</p>	<p>Complied</p>



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<p>5.6.3 A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>Minor Compliance</p>	<p>The monitoring system for significant pollutants was implemented and data compiled and reviewed on a monthly basis by the respective mill and estate managers.</p> <p>The PMU had implemented the RSPO PalmGHG tool (ver. 3.0.1) and submitted the PalmGHG Summary Report to RSPO Secretariat via email on 03 May 2017.</p>	<p>Complied</p>
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Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers

<p>Criteria 6.1 Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>Major Compliance</p>	<p>At MRICOP, Social Impact Assessment dated 29 May 2017 was verified and it covers all mills and estates within the PMU.</p> <p>In 2014, a separate SIA for Estate D was conducted by external party, i.e. Green Consultancy Group Ltd.</p> <p>All meetings were minuted and available for verification.</p>	<p>Complied</p>
<p>6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>Major Compliance</p>	<p>Participation of affected parties is evident with a documented participant list and photographs of meeting. The participants include the internal and external stakeholders which include the employees, contractors, representatives from contractors, suppliers, local communities, government agencies.</p>	<p>Complied</p>
<p>6.1.3 Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.</p> <p>Major Compliance</p>	<p>The 2017 updated and timetabled SIA Implementation and Monitoring Plan is maintained to promote the positive impacts and to mitigate the negative ones. Estate and mill managers of affected areas are responsible for implementation and monitoring of the plan.</p> <p>During ASA-04 Assessment (year 2016), an Observation reference OBS# JMD-01 was raised on the Mills and Estate B and Estate D as follows:</p> <p>“Mitigation Plan for 2016 is available for the whole PMU. However, comments from stakeholders in the 2016 consultation session were not included”</p> <p>During this Re-Certification Assessment, follow-up verification was carried out on the observation. It was found that the latest Stakeholders Consultation in Mar 2017, the Mitigation Plan did not include the stakeholders’ feedback and action taken on the specific problem regarding villagers’ buffalo/cattle grazing in the plantation areas.</p>	<p>Major NC# JMD-01</p>
<p>6.1.4 The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties.</p> <p>Minor Compliance</p>	<p>SIA management plan was reviewed annually and additional stakeholder consultations were held in May 2017 with affected parties and necessary changes were updated. Implementation on the resulting programs was ongoing and monitored at defined intervals as evidenced during audit.</p>	<p>Complied</p>



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<p>6.1.5 Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p>Minor Compliance</p>	<p>No smallholders in the PMU.</p>	<p>Not applicable</p>
<p>Criteria 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.2.1 Consultation and communication procedures shall be documented.</p> <p>Major Compliance</p>	<p>The established General Negotiation Procedure - SOP GA 022 dated Jan 2012 is still currently in use. MRICOP also declares its commitment to RSPO transparency requirements by providing a page with instructions on how stakeholders could communicate their concerns directly: http://www.mricop.com.kh/index.php/link/rspo-certification-project</p>	<p>Complied</p>
<p>6.2.2 A management official responsible for these issues shall be nominated.</p> <p>Minor Compliance</p>	<p>The organizational structure presented shows the HR & Admin. Manager, Saranchai Ounviset, as the nominated person for the whole PMU with regards to social related issues. Letter of appointment were signed by by Mr. Sumate Pratumswan, MD dated 01 Feb 2017. At the estates and mill level, these issues are under the responsibility of the managers. The interview also verified that their specific roles and responsibilities are clearly defined and understood.</p>	<p>Complied</p>
<p>6.2.3 A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.</p> <p>Minor Compliance</p>	<p>List of stakeholders for the whole PMU is sighted which include all relevant parties, e.g. government agencies, villagers, smallholders, cattle owners, contractors.</p> <p>Action taken on OBS# JMD-02 from the previous assessment verified to be effective.</p>	<p>Complied</p>
<p>Criteria 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.3.1 The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested.</p> <p>Major Compliance</p>	<p>The PMU has an established and documented system for dealing with complaints and grievances. SOP for Complaints/Grievances [SOP-GA-019] is available. No complaint has been raised by any stakeholders in year 2017.</p> <p>Suggestion box is available in front of the office. It is reported that there has been no disputes and whistle blowing incident for the previous year.</p>	<p>Complied</p>
<p>6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available.</p> <p>Major Compliance</p>	<p>Complaints received are on varieties of matters including workers housing quarters, road conditions and temporary water supply to the nearby villages. Complaints such as for leaking sinks and blocked drainages are managed by respective managers in charge and the maintenance unit. Records and photographs of maintenance are maintained.</p>	<p>Complied</p>
<p>Criteria 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>		



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Indicators	Findings and Objective Evidence	Compliance
<p>6.4.1 A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place.</p> <p>Major Compliance</p>	<p>The organization has a documented policy on compensation management PC-GA-024 as reported during the Main Assessment in 2012. The procedure provides the process for identifying legal and customary rights and for identifying people entitled to compensation. Based on interview with stakeholders from nearby villagers, it was verified that land acquisition and compensation are no longer an issue.</p>	<p>Complied</p>
<p>6.4.2 A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land.</p> <p>Minor Compliance</p>	<p>There is a documented procedure for calculating and distributing compensation, i.e. Land compensation and Negotiation procedure Flow chart, i.e. LC-NP-FC-002/14 dated 19 Jun 2014 signed by GM & VP – Agriculture/Oil Palm is noted.</p>	<p>Complied</p>
<p>6.4.3 The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available.</p> <p>Major Compliance</p>	<p>The records of negotiation process and the outcome are documented in the minutes of meeting and evident in photographs.</p>	<p>Complied</p>
<p>Criteria 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.5.1 Documentation of pay and conditions shall be available.</p> <p>Major Compliance</p>	<p>Pay and conditions are clearly documented in the Employment Contracts (in Khmer language) which was explained, understood and signed by the employees and the organization upon acceptance of work. This applies to all workers i.e. basic, semi-skilled and skilled. Reviews of pay statements verified to have contained all necessary information and can easily be understood by the workers, e.g. type and rate of works completed, days offered, days worked, days absent, total deduction, etc.</p> <p>A review of some field workers' pay slips showed that the calculation of pay is clearly itemised, for example:</p> <ul style="list-style-type: none"> - Normal day field work wage [Daily Rated or Piece Rated] - Normal working day overtime - Working rest day - Overtime for working rest day - Working public holiday - Overtime for working public holiday - Sick and annual leave pay - Maternity leave 	<p>Complied</p>



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<p>6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Major Compliance</p>	<p>Review of the employment contracts revealed detailed conditions in Khmer language which include the following employment details:</p> <ul style="list-style-type: none"> - job position - basic pay and overtime - working hours - work expectations - termination terms - Food allowance <p>Interviews with women general workers confirmed their knowledge entitlement for two months maternity leave.</p> <p>In ASA-04, a non-compliance was issued related to non-payment of gazetted public holidays [Major NC# JMD-01]. This non-compliance was effectively closed by replacing the public holiday pay with attendance incentive scheme where workers will get extra pay with full attendance for every 10 days. Workers who absent before or after public holidays are not eligible for the incentive pay [or in this case equivalent to public holiday pay] as they are considered as violating their employment contract with the management.</p> <p>Estate A and Estate C engaged the services of contractors for the harvesting of FFB with contract agreement. These subcontractors then employed contract workers for the harvesting. However, there is no documentation available detailing the conditions of employment for the contract harvesters. Although Cambodian Labour Law allows working without contract agreement, the RSPO P&C requires contract agreement between the contractors and the contract workers.</p>	<p align="center">Major NC# JMD-02</p>
<p>6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>Minor Compliance</p>	<p>Day-care centre was established in the linesite with sufficient number of trained caretakers. Workers entitlement for daily rice allocation which the PMU changed to a lump sum payment of USD45/month paid at the end of the month were also verified to be effectively closed. Action taken on Minor NC# JMD-01 from the previous assessment verified to be effective.</p> <p>During ASA-04 Assessment (year 2016) an Observation reference OBS# JMD-03 was raised as follows:</p> <p>“The rubbish from the linesite is collected once a week. However, it was found that the surrounding area of the linesite still require improvement, especially with regards to management of grass. It was also found that there was no fire extinguisher available at the linesite.”</p> <p>During this Re-Certification Assessment, follow-up verification was carried out on the observation. It was found that the actions taken on the linesite cleanliness (rubbish and grass) did not adequately addressed the requirement. Thus the observation is upgraded to a Minor NC in this current assessment.</p>	<p align="center">Minor NC# JMD-01</p>



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<p>6.5.4 Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food.</p> <p>Minor Compliance</p>	<p>Site assessments and interviews verified that workers could easily obtain their daily sundry supplies from stalls and mini-markets operated by workers' dependents in the housing sites or at the nearby villages. Some workers make weekly visit to the nearest town by own or private transport whenever necessary. Access to adequate, sufficient and affordable food is confirmed.</p>	<p>Complied</p>
<p>Criteria 6.6 The employer respects the rights 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.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.6.1 A published statement in local languages recognising freedom of association shall be available.</p> <p>Major Compliance</p>	<p>The documented social policy that recognizes freedom of association in both English and Khmer languages as endorsed by the VP of Plantations in Apr 2012 is maintained.</p> <p>The organization acknowledges the freedom of association in the documented social policy which is displayed publicly at strategic locations of the Mill and Estate Offices.</p>	<p>Complied</p>
<p>6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented.</p> <p>Minor Compliance</p>	<p>Interviews with staff and workers confirmed there are no trade unions. Collective communications are held through their worker representatives called the Employee Delegates and gender representatives. Latest meeting was conducted on 06 Apr 2017.</p> <p>Minutes of meetings are maintained. Records show that the employee delegate is registered with the governing authorities.</p>	<p>Complied</p>
<p>Criteria 6.7 Children are not employed or exploited.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.7.1 There shall be documentary evidence that minimum age requirements are met.</p> <p>Major Compliance</p>	<p>The PMU has a policy of not employing child labour (persons below 18 years) in accordance with Article 181 of the Labour Law.</p> <p>The age of new hires were verified against their birth dates in their application form and school certificates. It was verified through interviews at the respective estates that the minimum age requirements of the workers were met.</p> <p>The corrective action taken on previous assessment Major NC# JMD-02 verified to be effective.</p>	<p>Complied</p>
<p>Criteria 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.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p>6.8.1 A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.</p> <p>Major Compliance</p>	<p>The commitment to equal opportunities is evident in the publicly displayed Social Policy in the mill and estate offices. The policy clearly states its prohibition of any discrimination based on race, religion, gender, disability, sexual orientation, age or political affiliation.</p>	<p>Complied</p>
<p>6.8.2 Evidence shall be provided that employees and groups including local communities, women, and migrant</p>	<p>Based on interviews with both male and female workers as well as and verification with pay statements, it was</p>	<p>Complied</p>



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workers have not been discriminated against. Major Compliance	confirmed the implementation of equal pay for same job or no discrimination practices between man and woman workers.	
6.8.3 It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	There is a documented SOP for the recruitment and hiring of staff and workers. Depending on the nature of work positions, the PMU management takes into considerations the needs for technical qualifications / experience and related skills in recruitment selection, hiring and promotion exercises	Complied
Criteria 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.		
Indicators	Findings and Objective Evidence	Compliance
6.9.1 A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	The policy to prevent sexual harassment and all forms of harassment is clearly stated in the documented social policy. The commitment to provide a work environment that is free from any sexual harassment and violence against any of the workforce is verified in interviews with female field workers and workers at the main office who confirmed that they feel happy and comfortable working there. Interviews with the Social & Gender Committee staff and workers revealed briefing on harassment issue, general understanding of sexual harassment in the workplace and the mechanism to report an alleged sexual harassment or violence. Latest Gender Committee meeting and briefing was conducted on 01 Mar 2017 in Estate C and 01 Jun 2017 in Monorum Mill.	Complied
6.9.2 A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	The policy to protect the reproductive rights and rights to have a family of the workers especially women is evidently stated in the Social Policy. Interviews conducted and there is no recently pregnant workers found during the audit.	Complied
6.9.3 A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	A specific grievance mechanism is established and documented in SOP GA-019. Communication and understanding of employees were verified through interviews. The commitment to manage grievance among employees is evident in the records and photographs of "opening the complaint box" procedure.	Complied
Criteria 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.		
Indicators	Findings and Objective Evidence	Compliance
6.10.1 Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	It is verified that there are no purchases of FFB from any outgrowers or smallholders. Thus this is not applicable.	Not applicable
6.10.2 Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). Major Compliance	It is verified that there are no purchases of FFB from any out growers or smallholders. Thus this is not applicable.	Not applicable



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<p>6.10.3 Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>Minor Compliance</p>	<p>Based on employee contracts and meeting minutes (between MRICOP managements and employees), it is evident that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>Interviews with parties concerned confirmed that business practices with local businesses are conducted in a fair and transparent manner. The contractors are monitored during work in progress to follow safety requirements.</p>	<p>Complied</p>
<p>6.10.4 Agreed payments shall be made in a timely manner.</p> <p>Minor Compliance</p>	<p>Interviews with the contractors reported that payments are received in timely manner and they have not encountered any problems with payment so far.</p>	<p>Complied</p>
<p>Criteria 6.11 Growers and millers contribute to local sustainable development where appropriate.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.</p> <p>Minor Compliance</p>	<p>Contributions to local development are based on the results of consultation with local communities as documented in the updated SIA for year 2017.</p> <p>The following are the social, local development and contributions in brief :</p> <ol style="list-style-type: none"> 1. Completion of day care centre at the housing area. 2. Completion of Anlong Kropeu temple renovation complete with tank for water supply. 3. Laterite road for villagers in the vicinity of the PMU. 4. Assisting the villagers in the vicinity of the PMU with transportation for burial ceremony. 5. Permission to nearby villages to use the landfill to manage their domestic waste and sometime even assisting the villagers in transporting the rubbish to the landfill. 6. Free provision of 50 kg of rice and 200 litre of diesel per month to the Anlong Kropeu temple. 7. Free provision of food to extremely poor villagers. 	<p>Complied</p>
<p>6.11.2 Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity.</p> <p>Minor Compliance</p>	<p>It was verified that there were no smallholder scheme programs at the PMU.</p>	<p>Not applicable</p>
<p>Criteria 6.12 No forms of forced or trafficked labour are used.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>6.12.1 There shall be evidence that no forms of forced or trafficked labour are used.</p> <p>Major Compliance</p>	<p>The employment contracts maintained at the estate offices confirmed that all workers were recruited in accordance with the legal requirements of Cambodia (Cambodian Labour Law 1997). The workers are mainly from the neighbouring villages within the province of Sihanouk. Interviews with field workers confirmed that there were no forced or trafficked labour. Mill workers confirmed that they could opt not to do over-time work if so desired.</p>	<p>Complied</p>
<p>6.12.2 Where applicable, it shall be demonstrated that no contract substitution has occurred.</p> <p>Minor Compliance</p>	<p>There was no evidence of contract substitution and this was confirmed from interviews with workers.</p>	<p>Complied</p>



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<p>6.12.3 Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented.</p> <p>Major Compliance</p>	<p>There is no requirement for any special labour policy as no foreign workers are employed.</p>	<p>Not applicable</p>
<p>Criteria 6.13 Growers and millers respect human rights.</p>		
<p>Indicators</p>	<p>Findings and Objective Evidence</p>	<p>Compliance</p>
<p>6.13.1 A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1).</p> <p>Major Compliance</p>	<p>A documented policy stating human rights and ethical conduct and integrity has been developed and communicated to all employees.</p>	<p>Complied</p>
<p>6.13.2 As long as children of plantation workers are not secured a right to go to government school, the plantation companies should engage in a process to secure the children of the plantation workers access to education as a moral obligation</p> <p>Minor Compliance</p>	<p>There are no foreign workers and families in the estates and the mill. All local children are eligible to be enrolled in the local government schools. Interviews and records show that school-going children (6 years and above) of staff and workers are all enrolled in the 8 government schools which are nearest to their homes. An interview with a primary school head confirmed that all his students come from the estates and mills.</p>	<p>Complied</p>

Principle 7: Responsible development of new plantings

The requirements of Principle 7 were verified to be 'Not applicable' to this PMU during this assessment. It was verified during current on-site assessment that the PMU has declared and submitted its Land Use Change details for analysis for its plantings since Nov 2005 as per the calculations specified in the RSPO PalmGHG ver.3.0.1. The record of submission made to the RSPO Secretariat for the current year was done in 03 May 2017. Based on the details provided in the record of submission, verified that there is no potential liability under the RSPO Remediation and Compensation Procedure at this PMU.



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Principle 8: Commitment to continual improvement in key areas of activity

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

Indicators	Findings and Objective Evidence	Compliance
<p>8.1.1 The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Encourage optimising the yield of the supply base. <p>Major Compliance</p>	<p>Continual Improvement Plans established, implemented and monitored for the Mills and Estates include the following:</p> <ol style="list-style-type: none"> 1. Reservoir Project – Increase the reservoir area for water storage from 559.11 m³ in year 2016 to 673,819 m³ in year 2017 for use during the long dry season. 2. Overflow Project - Increase the number of overflow points from 39 in year 2016 to 61 in year 2017 for flood mitigation and rainwater harvesting during the 3 months rainy season. 3. Construction of cattle/buffalo grid to prevent damage of oil palm trees. 4. Planting of more beneficial plants. 5. Greening of areas bordering the river/streams with the planting of grass. 6. 100% field application of dried POME on estates. 7. EFB mulching applied at the fields including new planting areas. 8. Monitoring continued at environmental conservation areas and buffer zones. 9. Ongoing implementation of pollution mitigation and monitoring of stack emission at POM and improvement in boiler efficiency. 10. Continued infrastructure development, i.e. road construction (Chung Rang & Sway Villages). 11. Renovation of oil traps at designated location around the mill. 12. Bunding of the pond to prevent overflow at the cooling pond. <p>Continual improvements with social impact include the following:</p> <ol style="list-style-type: none"> 1. Complete the construction 4 housing units with a total of 20 rooms for workers by Aug 2017. 2. Snake bite/First Aid Awareness Training. 3. Annual Refresher Training on OSH/First Aid to 4. Women’s Day Celebration on 07 Mar 2017. 5. Free transport for children to and from schools located in villages nearby the PMU. 6. Official Opening Ceremony of Day Care Centre at Estate C workers’ quarter on 17 Jun 2017. 7. Planting of Napier grass at boundaries of estates for grazing by cattle/buffalo from the villages. 8. Repairing the damages on rural schools as well as building new teachers’ quarters. 9. Socialization to the academic institutes and other interested organizations on the oil pal plantation operations and palm oil processing (In year 2017 to date, visit by 275 visits from 4 institutes/organizations. 	<p>Complied</p>



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3.1.1 Supply Chain Certification Standards Findings - on CPO Mill

The POM has established and maintained procedures for the book keeping and monitoring requirements for the FFB and CPO at the mill. This assessment verified the implementation of documented procedures, verification of processing and traceability of FFB into CPO and PK, and availability of records to demonstrate compliance against all the elements of the Identity Preserved (IP) Module in accordance with the RSPO SCCS (Nov 2014) requirements.

Module D – CPO Mills: Identity Preserved (IP).

Details of findings are as follows:

D.1 Definition		
Indicators	Findings and Objective Evidence	Compliance
<p>D.1.1</p> <p>A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>	<p>The two CPO mills under the MRICOP Grouping, viz; Monorum POM (old mill) and Anlong Kropeu POM (new mill) verified to only process FFB from their common supply base, i.e. the 4 estates A, B, C and D (see Section 1.3).</p> <p>It was verified that there was no sources of FFB from any outgrowers or independent suppliers / smallholders.</p> <p>The two CPO Mills under the MRICOP Grouping are therefore applying the Identity Preserved (IP) module.</p>	Complied
D.2 Explanation		
Indicators	Findings and Objective Evidence	Compliance
<p>D.2.1</p> <p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The figures provided represented the total volume of certified palm oil product (CPO and PK) that the certified mills are allowed to deliver in a year. The actual tonnage produced has been recorded in each subsequent annual surveillance report (see Section 1.8.3 Tables 7A & 7B).</p>	Complied
<p>D.2.2</p> <p>The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The POMs verified to have met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	Complied



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D.3 Documented procedures		
<p>D.3.1 The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p>	<p>Documented procedure for IP Module is SC-033 Rev No. 3 (May 2017). The procedure covered the implementation of all elements of IP Module. However, para 5.0 of the above documented procedure incorrectly stated the CSPO as SG and MB. Also in para 7.1.2, it incorrectly stated stamping with SG rubber stamp.</p>	<p>Major NC# OCL-01</p>
<p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements</p>	<p>The documented procedure and its implementation confirmed to have complied with all the specified requirements of Identity Preserved (IP) Module D that include controlling the FFB receipt, processing, sales, CPO and PK dispatch, and records keeping.</p>	<p>Complied</p>
<p>b) The role 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's procedures for the implementation of this standard.</p>	<p>The Mill Manager, i.e. Mr. Vong Pharith (Monorum Mill and Anlong Kropeu Mill) has the overall responsibility and authority for implementation and compliance with the documented procedure.</p> <p>(1) The Pre-verification Data submitted by the PMU to Intertek contained the following errors for FY Jul 2016 to Jun 2017: (a) Wrong figure for Total Certified FFB Processed (MT) in Table 7A(ii), (b) Wrong figure for Total Certified PK Production (MT) in Table 7A(ii) and Table 7B(ii).</p> <p>(2) Although production and trading records were available, both POMs did not provide in timely manner the data for the monitoring of CSPO and CSPK produced and traded for period FY Jul 2015-Jun 2016 and FY Jul 2016-May 2017.</p> <p>The Manager and the supporting staff need to demonstrate an understanding of the RSPO Supply Chain Certification Standard Module D (Identity Preserved) requirements and its implementation.</p> <p>The Organization Chart of both POMs and job responsibilities of employees have been suitably documented.</p>	<p>Major NC# OCL-02</p>
<p>D.3.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>For the period FY 2016/2017, the POMs received and processed FFB from the 4 estates only. The POMs did not receive any non-certified FFB from other sources or suppliers. All supplies of FFB were subjected to verification of documents and quality checks by weighbridge personnel.</p>	<p>Complied</p>
D.4 Purchasing and goods in		
Indicators	Findings and Objective Evidence	Compliance
<p>D.4.1 The facility shall verify and document the tonnages and sources of certified and non-certified FFBs received.</p>	<p>The Mills had respectively maintained records of tonnages and supply source of FFB from the respective estates at the weighbridge stations, in the delivery chits and weighbridge tickets on a daily basis. On a monthly basis these figures are reported to the MRT-TCC (JV) Head Office at Phnom Penh. It is verified that there were no non-certified FFBs.</p>	<p>Complied</p>
<p>D.4.2 The facility shall inform the CB immediately if there is a projected</p>	<p>Both mills monitor all FFB received, CPO and PK production. The PMU has an internal monitoring and reporting mechanism for advising the CB of production variations such as projected overproduction situation, when such issue</p>	<p>Complied</p>



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overproduction of certified tonnage.	arises. So far, there is no projected overproduction.	
D.5 Record keeping		
Indicators	Findings and Objective Evidence	Compliance
D.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.	The records and reports are available from the computerized system. Also, hard copies of records and reports are properly filed and readily accessible. Inspection of records and reports at the mills confirmed these were accurate, complete and updated daily. As per the SOP, the records and reports are archived and stored in the Mill Office for a minimum period of 5 years. The weighbridge tickets for delivery of CPO and PK indicated the products as certified IP Module for the Monorum POM and Anlong Kropeu POM. Transaction documents and bookkeeping of FFB, CPO and PK are done daily and monthly summary submitted to Head Office. A tonnage balance recording system that shows FFB deliveries, CPO and PK production and dispatch is balanced every 3 months.	Complied
D.6 Processing		
Indicators	Findings and Objective Evidence	Compliance
D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage.	Confirmed from records that the mills only received and processed certified FFB from its own estates. The processing facilities have established and implemented a clear procedure and mechanism for the IP module. Review and on-site verification confirmed that the mechanism was implemented and in compliance with the module requirements at the both mills, including transport and storage.	Complied
D.6.2 The objective is for 100 % segregated material to be reached.	Documents and records provided documented evidence that the FFB receipt and processed, and CPO and PK produced are traceable to 100% certified material. The product type and supply chain module indicated as CSPO/IP and CSPK/IP on relevant documents.	Complied

3.1.2 Status on Supply Chain on POM:

Based on the documents and records presented during the on-site verifications made, it is concluded that the **MRICOP Grouping Mills, viz; Monorum Mill and Anlong Kropeu Mill** have been able to comply with the requirements of the RSPO SCCS under the 'IP' module and are thus eligible for 'IP' trading for their palm products for year 2016/2017.

3.1.3 Monitoring of CSPO and CSPK traded:

The trading of the CSPO via RSPO PalmTrace was monitored by the MRICOP Grouping. The records maintained relied on internal communications of the trading done by the MRT-TCC HQ on the CSPO delivered to a European destination. The volumes of CSPO traded as verified during assessment are as follows:

	CSPO - Actual Jul 2015-Jun 2016 (MT)	CSPK - Actual Jul 2015-Jun 2016 (MT)	CSPO - Actual Jul 2016 till May 2017 (MT)	CSPK - Actual Jul 2016 till May 2017 (MT)
RSPO IP	4,411.00	0	3,966.78	2,974.98
Book & Claim	0	0	0	0
ISCC	0	0	0	0
Total Traded	4,411.00	0	3,966.78	2,974.98
Actual Produced	22,203.00	4,251.69	25,148.67	4,335.20



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Notes:

- Based on records maintained at the POMs, it was verified that the total volume of CSPO and CSPK traded have not exceeded the annual certified quantity.
- There has been no trade of any CSPO or CSPK via 'Book & Claim'.

3.2 Status of Identified Noncompliance and Corrective Actions, Observations and Positive Elements.

The status of the Noncompliances (NCR) and Observations (OBS) identified against the RSPO P&C and Cambodian Local Indicators is as per the details below:

Assessment Type	Year	Noncompliance (NCR)	Observations (OBS)	Follow up status
Initial / Main Assessment	2012	4 Minor	5	Actions taken on the NCRs and OBS verified to be effective during ASA-01.
Annual Surveillance Assessment (ASA-01)	2013	2 Major & 2 Minor	0	Actions taken on the NCRs and OBS verified to be effective during ASA-02.
Annual Surveillance Assessment (ASA-02)	2014	1 Major & 0 Minor	6	Actions taken on the NCRs and OBS verified to be effective during ASA-03.
Annual Surveillance Assessment (ASA-03)	2015	2 Major & 2 Minor	1	Actions taken on the NCRs and OBS verified to be effective during ASA-04 except for the recurring minor non-conformance against Indicator 5.3.3.
Annual Surveillance Assessment (ASA-04)	2016	3 Major & 2 Minor	4	Actions taken on the NCRs and OBS verified to be effective during Re-certification except for the Obs# JMD-01, Obs# JMD-03 and Minor NC# OCL-01.
Re-certification Assessment	2017	6 Major & 3 Minor	6	Next Surveillance Assessment

3.2.1 Year 2016: Surveillance Assessment ASA-04 (3 Major and 2 Minor NCRs)

NCR	Indicator	Details of NCR
Major NC# OCL-01	5.3.3	Date issued: 17/06/2016
		<p>Nonconformance:</p> <p>The landfill at Estate C (also used by Estate D) was found to be poorly managed. The landfill is waterlogged and domestic wastes were not completely placed inside the pit.</p> <p>NOTE: As a non-conformance had been raised against the same clause 5.3.3 in the previous assessment, this finding is now upgraded to Major NC as it is a recurring non-conformance.</p>



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		<p>Root Cause and Corrective Action:</p> <p>With regarding to the point raised above, unintentionally we have thought that we were in the proper way to manage the landfill and domestic wastes by making a landfill size a bit bigger and located at the existing place because the landfill would serve the domestic wastes from the staff accommodation, the estates C &D and the Anlong Kropeu POM. Anyway, to rectify the poor managed of the existing landfill at the Estate C, the management has taken immediate corrective actions as below:</p> <ul style="list-style-type: none"> • Covering the existing landfill and then finding the proper place by digging a new one where is at a bit higher land to avoid waterlogged. • Fencing around the pit and placing the signage. • Providing two garbage bins – one for domestic waste (e.g, wet waste from the kitchen) and another one for the plastic bottles and metal cans. • Conducting awareness training on separating wastes to staff and workers who stay at the company accommodation. • Estate manager will be responsible for assigning one driver with one waste collector for taking wastes to dump at the pit regularly. • Each leader of each accommodation building assigned shall be responsible for putting empty fertilizer bags in the garbage bins instead of putting garbage directly into the bin. <p>The documented evidence is enclosed herewith.</p>		
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the corrective actions stated above as evidenced by submitted photos are acceptable.</p> <p>The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 30%;">Date closed: 18/07/2016</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016			
		<p>Verification (for effectiveness):</p> <p>In Re-certification Assessment: Verified that the implementation of the series of actions for the landfill is effective as observed during field inspection.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Effectiveness verified by auditor: Accepted by SH and OCL</td> <td style="width: 30%;">Date verified: 23/06/2017</td> </tr> </table>	Effectiveness verified by auditor: Accepted by SH and OCL	Date verified: 23/06/2017
Effectiveness verified by auditor: Accepted by SH and OCL	Date verified: 23/06/2017			

NCR	Indicator	Details of NCR
Major NC# JMD-01	6.5.2	Date issued: 17/06/2016
		<p>Nonconformance: Article 163 of the Labour Law stated “Workers paid by the hour, the day, or by the amount produced shall be entitled to an indemnity equal to the wage lost as a result of holidays as defined in Article 161. This indemnity shall be paid by the employer”. However, it was found all daily wages workers are not paid for the Public Holidays declared by the government.</p>
		<p>Root Cause and Corrective Action:</p> <p>The wage lost as result of the public holidays stated in the labour law, the Government will annually announce the list of public holidays, which is equal to not more than 28 days/year, and that the company shall compensate the wage for worker on these days at the company current practical wage rate 16,000 riels (4.05 USD) per day per worker.</p> <p>As per the above condition, the worker shall be entitled to an indemnity equivalent to 113.40 USD per year (28 days x 4.05 USD). However, the company has been implementing another way around by providing the incentive scheme for every 10 holiday itself. Consequently, each worker shall be entitled to get around 120 USD/year. The decision of the implementation of this incentive scheme is to encourage them to come to work.</p>



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		Verification for Closure: Off-site verification was carried out. Verified that the corrective action for implementation of the wage compensation is acceptable. The corrective action satisfactorily addressed the non-conformance.	
		NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
		Verification (for effectiveness): In Re-certification Assessment: Verified that the implementation of the corrective action is effective.	
		Effectiveness verified by auditor: Accepted by JMD and OCL	Date verified: 23/06/2017

NCR	Indicator	Details of NCR	
Major NC# JMD-02	6.7.1	Date issued: 17/06/2016	
		Nonconformance: Article 181 of the Labour Law stated “No unemancipated child of either sex less than eighteen years old can contract to work without the consent of his guardian”. The company social policy also stated “Company shall only employ persons of age 18 years and above for employment”. However, it was found a few workers with their age a few months before their 18th birthday were without the clear consent of their guardian. (Note: Minimum age for employment is 15 years old as stated in the Labour Law).	
		Root Cause and Corrective Action: We have accepted that the staff who are responsible for verifying and confirming the employment applicant’s fully age mature has failed compliance as raised in this NCR because they may mainly focus on the year of birth, but not the day and month of birth. However, those workers who were found under age a few months before their 18 th birthday now are more than 18 years old. With this regard, the management is strongly committed that there will not be any new employment under age of 18 years old, unless we have obtained the consent of his/her guardian for those whose age fully 15 years old up at the day he/she is applying for the employment, but less than 18 years old. This is to ensure that we are in line with the Labour Law of the Kingdom of Cambodia.	
		Verification for Closure: Off-site verification was carried out. Verified that the corrective actions taken for the communication of the legal requirement and briefing/training are acceptable. The corrective actions satisfactorily addressed the non-conformance.	
		NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
		Verification (for effectiveness): In Re-certification Assessment: Verified that the implementation of the corrective action is effective.	
		Effectiveness verified by auditor: Accepted by JMD and OCL	Date verified: 23/06/2017



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NCR	Indicator	Details of NCR	
Minor NC# OCL-01	5.2.4	Date issued: 17/06/2016	
		Nonconformance: For both Estate B and Estate D, there was no record of the sighting of RTE species or wildlife, if any, from the regular patrols within the estates.	
		Root Cause and Corrective Action: We have accepted that besides leaving aside some identified conservation zone and/or high conservation value areas within the plantation and conducting the regular awareness training on these conservation areas to staff, workers and local community, we have not establish a formal report form for monitoring the status of RTE species or wildlife within the oil palm estates. However, in order to correct this missed monitoring task, the management is taking immediate actions as following: <ul style="list-style-type: none"> • The QC/RSPO Department is assigned to make a monitoring report form called "Wildlife Patrolling Report Form" and then distribute to all department heads and relevant staff for their comment before this form is officially promulgated. • The "Wildlife Patrolling Report Form" shall be handed to the estate mangers, division heads, conductors and other relevant staff for recording the presence of RTE species or wildlife (if any) during their day-to day operational task within the oil palm estate respectively. • Each estate and relevant department shall make a separated document file namely "Wildlife Patrolling Report" for keeping such monitoring records. • In addition to the above, the QC/RSPO Department shall make a monthly-based monitoring schedule for overall evaluating the buffer zone, conservation zone and/or HCV area set aside within the oil palm plantation; and also it shall be collaborative with the estate management and relevant department to make sure that the patrolling task is implemented and done in a proper and acceptable way. 	
		Verification for Closure: Off-site verification was carried out. Verified that the corrective actions stated above as evidenced by a completed "Wildlife Patrolling Report Form" of a sighting of two red-wattled lapwings and photos are acceptable. The corrective actions satisfactorily addressed the non-conformance.	
		NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
		Verification (for effectiveness): In Re-certification Assessment: Verified that the implementation of the corrective action is NOT effective in the other estates A and C.	
		Effectiveness verified by auditor: Upgraded to Major NC# SH-01	Date verified: 23/06/2017
NCR	Indicator	Details of NCR	
Minor	6.5.3	Date issued: 17/06/2016	



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<p>NC# JMD-01</p>	<p>Nonconformance:</p> <ol style="list-style-type: none"> 1. Article 186 of the Labour Law stated “Managers of enterprises employing a minimum of one hundred women or girls shall set up, within their establishments or nearby, a nursing room and a crèche (day-care center)”. However, it was found there is no crèche available when the company employs more than 200 female workers and in total 135 children below six years old staying within the compound of the company. 2. Article 200 of the Labour Law stated “All regular plantation workers are entitled to a daily allocation of rice as indicated below for their wife and dependent minor children, legitimate or illegitimate, less than sixteen years old”. However, in paying a lump sum amount of USD45/month food allowance to the workers, this payment may or may not be sufficient as details of the workers’ dependents were not available to be used for the purpose of the calculation. <p>Root Cause and Corrective Action:</p> <ol style="list-style-type: none"> 1. The management have determined and drawn up the action plan for establishing the day-care center in year 2016 for estate C, D and Anlong Kropeu mill. However, we will establish another one location for the day-care center to serve Estate A, B and Monorum mill in the coming year. 2. For the provision of food allowance 45 USD/month, we would like to explain in detail by taking the actual example of calculation and rice price in local as following: <ul style="list-style-type: none"> - Below is the maximum number of children that staff is working for the company: Mr. Ork Sam Oeun has 1 wife and 4 children as below this the detail of rice: <ol style="list-style-type: none"> 1. Mr. Sam Oeun got rice = 900 g or 0.9 kg/day 2. Mr. Sam Oeun’s wife got rice = 800 g or 0.8 kg/day 3. 1st child with 8 years old got rice = 600 g or 0.6 kg/day 4. 2nd child with 6 years old got rice = 600 g or 0.6 kg/day 5. 3rd child with 4 years old got rice = 400 g or 0.4 kg/day 6. 4th child with 2 years old got rice = 200 g or 0.2 kg/day <p style="margin-left: 40px;">Total rice per day = 3,500g or 3.50 kg/day</p> <p style="margin-left: 40px;">For 1 month 3.50 kg x 26 days = 91 kg/month</p> <p style="margin-left: 40px;">The local price of rice 1 kg = 1,600 Riels or 0.40 USD/kg (Price from Rice Plantation of MRT Group)</p> <p style="margin-left: 40px;">So that actual rice pay should be 91 x 0.40 = 36.40 USD/month</p> <p style="margin-left: 20px;">For other one staff that has got 5 children but we found that some of his children are more than 16 years old.</p> <p style="margin-left: 20px;">Example: Mr. Hong Ngy, Mill Security. The 1st child is 21 years old, 2nd child is 19 years old and 3rd child is 17 years old already.</p> <p style="margin-left: 20px;">So that the food allowance equivalent to 45 USD/month shall be sufficient for all entitled staff.</p> 		
<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <ol style="list-style-type: none"> 1. Verified that the corrective action for establishment of the day-care centers as evidenced by submitted action plan with timeline and cost estimates is acceptable. 2. Verified that the corrective action for confirming that the food allowance of 45 USD/month is more than sufficient to meet the legal requirement for rice allocation. <p>The corrective actions satisfactorily addressed the non-conformance.</p>			
<table style="width: 100%; border: none;"> <tr> <td style="border: none; width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="border: none; width: 30%;">Date closed: 18/07/2016</td> </tr> </table>		NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016		
<p>Verification (for effectiveness):</p> <p>In Re-certification Assessment: Verified that the implementation of the series of corrective actions is effective.</p>			
<table style="width: 100%; border: none;"> <tr> <td style="border: none; width: 70%;">Effectiveness verified by auditor: Accepted by JMD and OCL</td> <td style="border: none; width: 30%;">Date verified: 23/06/2017</td> </tr> </table>		Effectiveness verified by auditor: Accepted by JMD and OCL	Date verified: 23/06/2017
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3.2.2 Year 2017: Re-certification Assessment (6 Major and 3 Minor NCRs)

NCR	MYNI Indicator	Details of NCR
Major NC# CBK-01	4.7.2	<p>Date issued: 23/06/2017</p> <p>Nonconformance: <u>Monorum Mill</u></p> <ol style="list-style-type: none">1. During visit to the Mechanical Workshop at the Monorum Mill, it was observed that the mechanics were not using eye protection equipment (e.g. safety glasses or goggles) when operating lathe machine, grinding metal and assisting in welding operation. The control measure defined in the Risk Assessment for Workshop was to use protective goggle.2. The procedure for Laboratory stated there shall be an emergency shower at the Laboratory but there was no emergency shower available.3. At the chemical store of the Laboratory, some pages of the safety data sheets (e.g. for Nalco 356, Isopropanol, Sodium Hydroxide, petroleum ether) were not legible.4. There was no safety barrier around the generator set which was set up outside the gen-set room at the mill. <p><u>Estate A</u> One of the control measures (as defined in the Risk Assessment) for preventing injury to harvesters is to wear gloves. However, during visit to Block B, it was observed that 2 harvesters were not wearing gloves.</p> <p><u>Estate C</u> At the Central Store in Estate C, Chemical Safety Data Sheets (CSDS) were available. However, it was found that these CSDS were in English. On interviewing the workers at the store, these workers confirmed that they could not understand the content of the CSDS and that they were illiterate in the English Language.</p>



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	<p>Root Cause and Corrective Action (s):</p> <p>As the Management, we have acknowledged the noncompliance (NC) raised by the concerned assessor. However, we are going to take immediate actions to correct these through implementing strictly good management practices on the safe working conditions at the workplace from now onwards.</p> <p><u>Monorum Mill</u></p> <ol style="list-style-type: none">1. The mill manager, shift manager and supervisor will do the routine safety guidelines at workplace as below:<ol style="list-style-type: none">i. Conduct a proper awareness training on the safe work at the workplace for each working station at least once a year;ii. Making sure that PPE are sufficiently provided to staff and workers according to the risk assessment;iii. Before starting working shift, do the safety briefing at least 5 – 10 minutes. During doing this, manager and/or supervisor must check attendance and PPE. If anyone found not wearing proper PPE, he/she is not allowed to work; and that manager and/or supervisor shall make sure that PPE is provided to him/her before allowing them workiv. Manager and/or supervisor shall regularly monitor the proper usage of PPE during working.2. Mill manager must immediately look for proper place at the Laboratory to install the emergency shower right away. He also ensures that availability of water for the emergency shower must be existed all the time.3. Mill manager must ensure that the chemical safety data sheets (CSDS) for Nalco 356, Isopropanol, Sodium Hydroxide, petroleum ether and others at the chemical store are translated into the local language that can be readable and understandable by operators. CSDS shall be properly hung at each type of chemical stored in the store.4. Since the generator set is temporarily deployed at the mill, then the safety barrier shall be placed around with the proper signage written "DANGER! AUTHORIZED STAFF ONLY". After placing the safety barrier around the generator set, the awareness training to all staff and workers shall be immediately conducted. <p><u>Estate A</u></p> <p>Estate A manager must take immediate actions as followings:</p> <ol style="list-style-type: none">i. Providing gloves to harvesters as stated in the risk assessment;ii. Awareness training on using PPE like gloves shall be conducted for harvesters. <p><u>Estate C</u></p> <p>The Stock Controller for the Central Warehouse in Estate C must do the followings:</p> <ol style="list-style-type: none">i. Translate all the chemical safety data sheet for all applicable chemicals in the store to be in local language; andii. Once again, refresh the awareness training on CSDS; theniii. Make sure that each CSDS is properly placed at each type of chemical in the store.
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		<p>Verification (Corrective Action):</p> <p>On-site verification carried out confirmed the following:</p> <ol style="list-style-type: none"> 1. OSH Master Plan developed and implemented with at least one Training on Job OSH for each station in the mill. Workshop OSH Training conducted on 08/07/2017 evidenced by training attendance list and photo. 2. Emergency shower installed on 09/07/2017 as evidenced by training attendance list and photo and verified by site visit. 3. Verified on site that Material Safety Data Sheet (MSDS) are in order and training on 12/07/2017 evidenced by attendance list and photo. 4. Safety barrier placed around the generator set as evidenced by training attendance list on 05/07/2017 and photo. Verified on site that the generator set is no longer in use and had been removed (as it was for temporary use due to boiler problem). <p>Estate A; List of PPE distribution dated 27/06/2017 and evidenced by photo of training. Observation and interview carried out on-site confirmed the usage of PPE.</p> <p>Estate C: Verified on site that CSDS had been translated into local language and available.</p> <p>The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 30%;">Date closed: 19/07/2017</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017
NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017			
		Verification (for effectiveness): At next Assessment – ASA-01		

NCR	MYNI Indicator	Details of NCR
Major NC# JMD-01	6.1.3	Date issued: 23/06/2017
		<p>Nonconformance:</p> <p>During ASA-04 Assessment (year 2016), an Observation reference OBS# JMD-01 was raised on the Mills and Estate B and Estate D as follows:</p> <p>“Mitigation Plan for 2016 is available for the whole PMU. However, comments from stakeholders in the 2016 consultation session were not included”</p> <p>During this Re-Certification Assessment, follow-up verification was carried out on the observation. It was found that the latest Stakeholders Consultation in Mar 2017, the Mitigation Plan did not include the stakeholders’ feedback and action taken on the specific problem regarding villagers’ buffalo/cattle grazing in the plantation areas.</p>
		<p>Root Cause and Corrective Action(s):</p> <p>The HR department cooperated with concerned departments like Plantation, Land and Property Protection and R&D departments are reviewing the Mitigation Plan stated in the Social Impact Assessment for MRICOP/MTSI Plantation (please refer to the document lately revised) and add the issue of oil palm damaged by cattle/buffaloes resulted from the annual stakeholder consultancy meeting held on 22nd March 2017 into it. Therefore, from now on the company Management is going to respond to the cattle/buffaloes grazing into oil palm areas by</p> <ol style="list-style-type: none"> i. Completing the fencing at the strategic areas as soon as possible; ii. Working with chiefs of villages and communes to organize the gathering at the village location to meet directly with villagers and updating the issues of oil palms damaged by cattle/buffaloes and the company’s proposed mitigation measures like providing grass material and technical advisory to those want to plant for feeding their cattle/buffaloes, and progress of legal actions against those who still allow their cattle/buffaloes to damage the oil palms; and iii. Following up the progress of the court’s proceedings on filing the legal lawsuits against the concerned cattle/buffalo owners.



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	<p>Verification (Corrective Action):</p> <p>On-site verification carried out confirmed the following: Revised SIA dated 18/07/2017 included the stakeholders' feedback and mitigation for the problem of buffalo/cattle grazing in the plantation areas. The corrective action satisfactorily addressed the non-conformance.</p>		
	<table border="1"> <tr> <td>NC status verified by auditor: Closed by OCL</td> <td>Date closed: 19/07/2017</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017
NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017		
	<p>Verification (for effectiveness): At next Assessment – ASA-01</p>		

NCR	MYNI Indicator	Details of NCR
Major NC# JMD-02	6.5.2	Date issued: 23/06/2017
		<p>Nonconformance:</p> <p>Estate A and Estate C engaged the services of contractors for the harvesting of FFB with contract agreement. These subcontractors then employed contract workers for the harvesting. However, there is no documentation available detailing the conditions of employment for the contract harvesters. Although Cambodian Labour Law allows working without contract agreement, the RSPO P&C requires contract agreement between the contractors and the contract workers.</p>
		<p>Root Cause and Corrective Action(s):</p> <p>The company's current practice is to do the contract agreement only with the harvesting contractor; but the payment method for the harvesters is not made between the harvesting contractors and the harvesters, instead the company pays directly to individual harvester.</p> <p>However, if the current practice does not fulfill the RSPO P&C requirements, then the company's Management decided to work with all harvesting contractors to make sure that all harvesting workers must have contract agreement detailing about the employment conditions with their contractors for Estate A, Estate C and other Estates as well from now onwards. Few samples of contract agreement are enclosed for evidence.</p>
		<p>Verification (Corrective Action):</p> <p>On-site verification carried out confirmed the following: Contract agreements found to be available for all the harvesters. Verified from on-site interview of harvesters that the contract agreements are satisfactory. The corrective action satisfactorily addressed the non-conformance.</p>
		<table border="1"> <tr> <td>NC status verified by auditor: Closed by OCL</td> <td>Date closed: 19/07/2017</td> </tr> </table>
NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017	
		<p>Verification (for effectiveness): At next Assessment – ASA-01</p>

NCR	MYNI Indicator	Details of NCR
Major NC# OCL-01	Supply Chain D.3.1	Date issued: 23/06/2017
		<p>Nonconformance:</p> <p>Documented procedure for IP (Identity Preserved) Module is SC-033 Rev No. 3 (May 2017). The procedure covered the implementation of all elements of IP Module. However, para 5.0 of the above documented procedure incorrectly stated the CSPO as SG (Segregation) and MB (Mass Balance). Also in para 7.1.2, it incorrectly stated stamping with SG rubber stamp.</p>



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		Root Cause and Corrective Action(s): The Mill Manager must take immediate action to revise the standard operating procedure (SOP) on Supply Chain Requirement Applicable to MRICOP/MTSI Mills with code no. SC-033 Rev no. 3 (May 2017) and then get the authorized Management for the final approval. The supporting evidence of revising the SOP is enclosed for the verification.	
		Verification (Corrective Action): On-site verification carried out confirmed the following: Revised SOP Document no. SC-033 Rev no. 4 (05 Jul 2017) satisfactorily amended to correct the mistakes on the model category to IP. The corrective action satisfactorily addressed the non-conformance.	
		NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017
		Verification (for effectiveness): At next Assessment – ASA-01	

NCR	MYNI Indicator	Details of NCR
Major NC# OCL-02	Supply Chain D.3.1 (b)	<p>Date issued: 23/06/2017</p> <p>Nonconformance: The Mill Manager, i.e. Mr. Vong Pharith (Monorum Mill and Anlong Kropeu Mill) has the overall responsibility and authority for implementation and compliance with the documented procedure.</p> <p>(1) The Pre-verification Data submitted by the PMU to Intertek contained the following errors for FY Jul 2016 to Jun 2017: (a) Wrong figure for Total Certified FFB Processed (MT) in Table 7A(ii), (b) Wrong figure for Total Certified PK Production (MT) in Table 7A(ii) and Table 7B(ii).</p> <p>(2) Although production and trading records were available, both POMs did not provide in timely manner the data for the monitoring of CSPO and CSPK produced and traded for period FY Jul 2015-Jun 2016 and FY Jul 2016-May 2017.</p> <p>The Manager and the supporting staff need to demonstrate an understanding of the RSPO Supply Chain Certification Standard Module D (Identity Preserved) requirements and its implementation.</p> <p>Root Cause and Corrective Action(s):</p> <p>The Mill Manager will take immediate actions to correct the above NC as follows:</p> <ul style="list-style-type: none"> i. Reviewing the error figure in the Pre-verification Data previously submitted to Intertek, then do verification and correction of figure for Total Certified FFB Processed (MT) in Table 7A(ii) and Total Certified PK Production (MT) in Table 7A(ii) and Table 7B(ii). ii. Coordinating with the RSPO section to arrange the course outline of the RSPO Supply Chain Certification Standard Module D (Identity Preserved) requirement and its implementation, and then conduct the awareness training to staff and managers concerned within the 1st week of July 2017 and will do refreshment at least once a year.



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	<p>Verification (Corrective Action): On-site verification carried out confirmed the following: Errors in the Pre-verification Data corrected and Awareness Training conducted on 06/07/2017 for staff and managers as evidenced by attendance list and photo. The corrective action satisfactorily addressed the non-conformance.</p>		
	<table border="1"> <tr> <td>NC status verified by auditor: Closed by OCL</td> <td>Date closed: 19/07/2017</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017
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	<p>Verification (for effectiveness): At next Assessment – ASA-01</p>		

NCR	MYNI Indicator	Details of NCR
Major NC# SH-01	5.2.4	Date issued: 23/06/2017
		<p>Nonconformance: Both Estate A and Estate C have forested areas on their boundaries. However, the management plan for these areas did not contain the ongoing monitoring of the status of HCV and RTE species as there was no regular reporting on the ground situation. (Upgraded to Major NC from Minor NC# OCL-01 of previous assessment).</p>
		<p>Root Cause and Corrective Action(s):</p> <p>The current practice of patrolling the wildlife at the strategic set-aside conservation zone and HCV for surveying whether there is any RTE species existing within and/or surrounding the oil palm plantation or not. Few evident reports of patrolling wildlife are sight. However, we accept that the comprehensive management plan detailing the ongoing monitoring of the status of HCV and RTE species is not in place. Therefore, the Management is going to develop the standard operating procedure (SOP) for patrolling and conserving the status of RTE species at our strategic areas. The procedure will state clearly that during working hours, any staff or worker found any wildlife, especially RTE species shall report with the concerned form or to the concerned Estate Management for proper recording. The evident of SOP on Conservation of RTE Species and Wildlife and few reports of wildlife patrolling is enclosed.</p>
		<p>Verification (Corrective Action): On-site verification carried out confirmed the following: SOP documented for the sighting and reporting of RTE species by two processes: (1) Ad-hoc sighting by any workers and staff to be reported to the estate management for raising a report. (2) A regular patrolling by conductors and security personnel of the plantation areas and recording of any sighting or non-sighting in a report. The corrective action satisfactorily addressed the non-conformance.</p>
		<table border="1"> <tr> <td>NC status verified by auditor: Closed by OCL</td> <td>Date closed: 19/07/2017</td> </tr> </table>
NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017	
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NCR	MYNI Indicator	Details of NCR
Minor NC# CBK-01	4.7.5	Date issued: 23/06/2017
		Nonconformance: There were occurrence of accidents at the Sterilizer Stations in the Anlong Kropeu Mill on 20 Apr 2017 and in Monorum Mill on 18 Jun 2017. These accidents were reported, investigated and follow up actions were proposed and time frame for implementation was recommended. However, there were no evidence that reassessment of the risk for the Sterilizer operation was conducted.
		Root Cause and Corrective Action(s): The Mill Manager will immediately take actions to correct this NC as followings: <ul style="list-style-type: none"> i. Review the Risk Assessment and do the revision by adding the identified hazard/risk with the controllable measures as per the accidents happened at the Sterilizer Stations for both in Anlong Kropeu and Monorum Mills; and then ii. Once finished the revision, the awareness training shall be conducted to concerned operators to ensure that they know how to operate safely. The supporting evidence of the revision of the Risk Assessment and training record are enclosed.
		Verification (Corrective Action): On-site verification carried out confirmed the following: Revised risk assessment included the hazards/risks with control measures at sterilizer stations in both mills. Awareness training conducted on 10 Jul 2017 as evidenced by attendance list and photo. The corrective action satisfactorily addressed the non-conformance.
		NC status verified by auditor: Closed by OCL Date closed: 19/07/2017
		Verification (for effectiveness): At next Assessment – ASA-01

NCR	MYNI Indicator	Details of NCR
Minor NC# JMD-01	6.5.3	Date issued: 23/06/2017
		Nonconformance: During ASA-04 Assessment (year 2016) an Observation reference OBS# JMD-03 was raised as follows: “The rubbish from the linesite is collected once a week. However, it was found that the surrounding area of the linesite still require improvement, especially with regards to management of grass. It was also found that there was no fire extinguisher available at the linesite.” During this Re-Certification Assessment, follow-up verification was carried out on the observation. It was found that the actions taken on the linesite cleanliness (rubbish and grass) did not adequately addressed the requirement. Thus the observation is upgraded to a Minor NC in this current assessment.



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		<p>Root Cause and Corrective Action(s):</p> <p>A comprehensive Master Plan for Accommodation Improvement for addressing the concerned issues is made by the Associate Director in charge of Administration and Human Resource, focusing on the main areas as following:</p> <ul style="list-style-type: none"> i. Hygiene and sanitation ii. Enhancing the accommodation committee's effective performance <p>The Master Plan for Accommodation Improvement will serve as a guideline for improving and enhancing good welfare, safety and health conditions for staff and workers who are staying at the company's provided accommodation. The plan and actual work done are enclosed herewith for verification.</p>		
		<p>Verification (Corrective Action):</p> <p>On-site verification carried out confirmed the following: Master Plan developed by Associate Director in charge of Administration and Human Resource implemented as verified by the improved conditions seen on-site. The corrective action satisfactorily addressed the non-conformance.</p>		
		<table border="1"> <tr> <td>NC status verified by auditor: Closed by OCL</td> <td>Date closed: 19/07/2017</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017
NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017			
		<p>Verification (for effectiveness): At next Assessment – ASA-01</p>		

NCR	MYNI Indicator	Details of NCR
Minor NC# SH-01	5.2.3	Date issued: 23/06/2017
		<p>Nonconformance:</p> <p>There was no clear program to regularly educate the workforce on the status of rare, threatened or endangered (RTE) species and the appropriate measures to be taken in accordance with the company rules and national law if any individual is found to capture or kill the RTE species.</p>
		<p>Root Cause and Corrective Action(s):</p> <p>The Management has accepted that there is no a proper awareness training program and rules and regulations to take against who captures or kills the RTE species in place at the moment. However, to correct this non-conformance, the HR department incorporates with the Plantation and R&D department to develop the training program and rules and regulations concerned on the protection of RTE at the strategic set-aside conservation zone and High Conservation Value area.</p> <p>The evident is enclosed herewith for the verification.</p>
		<p>Verification (Corrective Action):</p> <p>On-site verification carried out confirmed the following: Plantation and R&D department developed and implemented the training programs on RTE species for the period Jul 2017 to Jun 2018:</p> <ul style="list-style-type: none"> (1) Training program for staff conducted on 06 & 07/07/2017. (2) Training program for workers in Estate A and Estate C on 10/07/2017 and 08/07/2017 respectively. (3) Training program for communities scheduled for Mar 2018. <p>The corrective action satisfactorily addressed the non-conformance.</p>
		<table border="1"> <tr> <td>NC status verified by auditor: Closed by OCL</td> <td>Date closed: 19/07/2017</td> </tr> </table>
NC status verified by auditor: Closed by OCL	Date closed: 19/07/2017	
		<p>Verification (for effectiveness): At next Assessment – ASA-01</p>



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3.2.3 Year 2016: Surveillance Assessment ASA-04 (4 Observations)

Ref No:	Cambodian Local Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Follow up remarks (if any)
OBS# AL-01	4.5.1	Estate D.	<p>IPM - Beneficial plants</p> <p>The annual plan for the planting of the 3 types of beneficial plants in the respective ratio is available at both estates B and D.</p> <p>However, at Estate D, the <i>Antigonon leptopus</i> cultivation has not been adequately implemented.</p>	17 Jun 2016	23 Jun 2017	Issue verified to be adequately addressed and implemented.
OBS# JMD-01	6.1.3	Mills and Estate B and Estate D	Mitigation plan for 2016 is available for the whole PMU. However, comments from stakeholders in the 2016 consultation session were not included.	17 Jun 2016	Upgraded to Major NC# JMD-01 issued during Re-certification Assessment	Issue verified to be inadequately addressed.
OBS# JMD-02	6.2.3	Mills and Estate B and Estate D	List of stakeholders for the whole PMU is available. However, some of main stakeholder were not listed, e.g. contractors, CPO transporters, etc.	17 Jun 2016	23 Jun 2017	Issue verified to be adequately addressed and implemented.
OBS# JMD-03	6.5.3	Estate B and Estate D	The rubbish from the linesite is collected once a week. However, it was found surrounding area of the linesite still require improvement especially with regards to management of grass. It was also found no fire extinguisher available on the linesite.	17 Jun 2016	Upgraded to Minor NC# JMD-01 during Re-certification Assessment	Issue verified to be inadequately addressed.



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3.2.4 Year 2017: Re-certification Assessment (6 Observations)

Ref No:	Cambodian Local Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Remark, if any
OBS # SH-01	5.2.1	Estate A and Estate C	The landscape maps indicated certain areas as mountains at the boundaries to the estates. It is more accurate to indicate the vegetation of these mountains.	23 Jun 2017		At next assessment
OBS # SH-02	5.2.2	Estate A and Estate C	Both estates have forested mountain on their boundaries. Additional signages should be erected at strategic locations.	23 Jun 2017		At next assessment
OBS # SH-03	5.2.2	Estate C	The extent of buffer zone was not clearly demarcated at certain stretches along the river passing through field C3. Also, at water sampling point E2 at the river, there is a small signage. This signage should be made more prominent in order to indicate the importance of the area.	23 Jun 2017		At next assessment
OBS# CBK-01	4.6.6	Estate C	The self-drawn poison symbol for Glyphosate container at the Central Store need to be replaced with the proper international poison symbol (skull and crossed bones symbol).	23 Jun 2017		At next assessment
OBS# CBK-02	4.7.5	Monorum Mill	As a consequence of the findings relating to the accident on 16/6/2017 at FFB Sterilizer station, the SOP-CM-022 Machinery Safety should include the new and additional measures and instructions (e.g. workers to stay clear of the rope, routine checking of the rope, etc.).	23 Jun 2017		At next assessment
OBS# CBK-03	4.8.2	Anlong Kroupeu Mill	The Personal Training Record should be updated as soon as training has been conducted (noted a time delay as long as 12 months).	23 Jun 2017		At next assessment

3.2.5 Identified Positive Elements

1. Strong commitment by the management and staff in sustainability improvements.
2. Provided infrastructure (roads, clinics, schools and worship temples) and contributions for social and community support.
3. Provided employment opportunities for the local community and nearby villagers.

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3.3 Summary of Feedback Received from Stakeholders and Findings

Prior to and during the Assessment, written and verbal feedback communicated from the stakeholders on the environmental and social performance of the PMU operations were sourced. All pertinent feedback issues were reviewed and followed up for verification and these had been accordingly incorporated into the report findings. See table below:

3.3.1 Feedback Raised by Stakeholders (Surveillance Assessment ASA-04 – Year 2016)

Communication done via email on 10 May 2016 to various categories of stakeholders (see list under **para 2.5**):

Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
Government Agencies: No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
Non-Governmental Organizations: Feedback via email dated 23 May 2016 from Wildlife Alliance, Cambodia. This NGO shared their findings of an initial visit to the PMU on 10 Oct 2013 and a follow up visit on 29 Apr 2016 to see the improvements. Details of the findings are in the attached document below:  Feedback-Wildlife Alliance 23.05.2016.pc	The feedback stated that the PMU understood the importance of its social and environmental responsibility concerning the following: (a) delineation of a protected forest zone around the Bokor forest. (b) building of 75 reservoirs for water supply. (c) electricity supply. (d) jobs, housing, food and education.	Verified during on-site assessment that the PMU had implemented measures to conserve natural resources and provide benefits to the local communities.	No further action required.
Local Communities - Stakeholders' Consultation: At MRICOP PMU, a total of 15 stakeholders were interviewed with 6 stakeholders present at the Stakeholders Consultation. These 15 stakeholders include government, agencies, suppliers, transporters, contractors, villager leaders, school teachers, workers representatives and women leaders. They were interviewed by the auditors without the presence of any of the PMU staff. There are no negative comments from the stakeholders.	Ongoing consultations will be maintained. No response needed.	No response needed.	Nil



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Interviews of sampled staff and workers were also conducted by the auditors during field visits from 13 to 17 Jun 2016 at the PMU: No issues raised by the sampled staff and workers interviewed.	No response needed.	No response needed.	Nil
Other Interested parties: No feedback received.	No response needed.	No response needed.	Nil

3.3.2 Feedback Raised by Stakeholders (Re-certification Assessment – Year 2017)

Communication done via email on 28 Apr 2017 to various categories of stakeholders (see list under **para 2.5**):

Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
Government Agencies: No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
Non-Governmental Organizations: No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
Local Communities - Stakeholders' Consultation: Selected stakeholders representing the complete range of various stakeholder categories were invited for the Stakeholders' Consultation on 22 Jun 2017. A total of 13 stakeholders (2 government agencies, 2 transporters, 2 villager leaders, 2 school teachers, 4 cattle owners, 1 temple caretaker) were present at the consultation. They were interviewed by the auditors without the presence of any of the PMU staff. Concerns and suggestions received during interviews and stakeholder consultations: 1. Both parties involved in the cattle issues, i.e. MRICOP and the cattle owners, should find a solution which could benefit both parties.	The PMU will consider the concerns and suggestions from the stakeholders briefed by the auditors during the closing meeting.	To be followed up during the next Assessment.	-
Local Communities - Interviews: Interviews of sampled staff and workers were also conducted by the auditors during field			



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visits from 19 to 23 Jun 2017 at the PMU: Staff/Workers sampling: POM = 29 males, 5 females Estate Offices = 31 males, 9 females Field/sites visit = 21 males, 5 females No issues raised by the sampled staff and workers.	No response needed.	No response needed.	Nil
Other Interested parties: No feedback received.	No response needed.	No response needed.	Nil



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4.0 ASSESSMENT CONCLUSION AND RECOMMENDATION

Based on the findings above, Mong Reththy Investment Cambodia Oil Palm Co. Ltd., MRICOP had been able to demonstrate its compliance with the RSPO Principles and Criteria (Apr 2013), Cambodian Local Indicators (2014) and the RSPO Supply Chain Certification Standard (Nov 2014) for Palm Oil Mill.

Therefore, it is recommended that the certification of Mong Reththy Investment Cambodia Oil Palm Co. Ltd., MRICOP be approved and continued.

Signed for and on behalf of
Intertek Certification International Sdn Bhd

Dr. Ooi Cheng Lee
Lead Assessor

Date: 01 Aug 2017

4.1 Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings

This is to acknowledge and confirm the assessment visits described in this report and the acceptance of the contents and findings in this assessment report.

Signed for and on behalf of
Mong Reththy Investment Cambodia Oil Palm Co. Ltd (MRICOP)

Mr. Sumate Pratumsuwan
MD – Agriculture/Oil Palm

Date: 02 Aug 2017



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4.2 Intertek RSPO Certificate Details for the PMU

Certificate No:	RSPO 928088
Issue date:	15 Aug 2012
Expiry date (new):	14 Aug 2022
New Certificate date:	15 Aug 2017
Organization	Mong Reththy Investment Cambodia Oil Palm Co. Ltd (MRICOP)
Address of Head Office:	#52, St. 598 Sangkat Boeung Kak II, Khan Toul Kork, Phnom Penh, Cambodia.
RSPO Membership No:	1-0109-11-000-00
Plantation Management Unit:	MRICOP Grouping
Standards:	RSPO Principles and Criteria (Apr 2013); Cambodian Local Indicators (2014); RSPO Supply Chain Certification Standards (Nov 2014) for the Palm Oil Mill.
Certification scope:	Production of Crude Palm Oil and Palm Kernels
Supply Chain model for CPO & PK:	Identity Preserved (IP)

Details of Mills and Supply bases covered by this certificate and the tonnage approved are:

Name	Address	GPS Reference		Certified (Titled) Area (ha)
		Latitude	Longitude	
Monorum Palm Oil Mill Capacity: 30 MT/hour	Mong Reththy Investment Cambodia Oil Palm Co. Ltd., National Road 4, Monorum, Choeung Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 54' 33.7" N	103° 50' 04.2" E	20,580.19
Anlong Kropeu Palm Oil Mill Capacity: 45 MT/hour	MRT-TCC Sugar Investment Co. Ltd., National Road 4, Anlong Kropeu, Choeung Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 57' 52.1" N	103° 54' 26.2" E	
Estate A (Tapoa)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 48' 59.7" N	103° 47' 46.9" E	
Estate B (Svay)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 52' 08.2" N	103° 51' 19.2" E	
Estate C (Anlong Kropeu)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 57' 58.7" N	103° 54' 02.0" E	
Estate D (Kirivon)	National Road 4, Kirivon, Stoeng Chhay, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 57' 58.4" N	103° 54' 01.9" E	



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The annual certified tonnages produced at the PMU are detailed as follows:

Monorum POM	Annual Tonnages (MT)
Certified FFB	29,097
Certified CPO	5,732
Certified PK	1,164
Supply chain module	Identity Preserved (IP)

Anlong Kropeu POM	Annual Tonnages (MT)
Certified FFB	158,049
Certified CPO	31,136
Certified PK	6,322
Supply chain module	Identity Preserved (IP)



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Appendix A:

Qualifications of Lead Assessor and Assessment Team

Dr. Ooi Cheng Lee (OCL) - Lead Assessor / Team Leader / Technical Expert

(Palm Oil Mill, Environment, OHSAS, Social, HCV, Land Use and Supply Chain)

- PhD in Welding, Cranfield University, UK
- M.Sc. (Engineering) in Metallurgy, University of Birmingham, UK
- B.App.Sc (Hons), Science University of Malaysia
- Diploma in Translation for Science and Technology, Malaysia Translation Society

Dr. Ooi Cheng Lee is an IRCA Lead Auditor and Lead Tutor for ISO 9001. He is also involved in auditing in other integrated management systems. He has successfully completed the RSPO Lead Assessor Course for Principles and Criteria (RSPO P&C) and the RSPO Supply Chain Certifications (RSPO SCC). He is currently involved in the management of all types of system and process/product certification in Intertek. He has more than 32 years work experience in product and process specifications, research & development, inspection and testing, quality assurance, engineering development, training, product certification, auditing and quality management system certification. He has conducted assessments of organizations in Malaysia, Singapore, Indonesia, Vietnam, Philippines, China, Myanmar, Cambodia and other regional countries. Assessments include those of rubber and oil palm plantations in Malaysia and Indonesia. His previous position as the General Manager of Lloyd's Register Quality Assurance (LRQA) Malaysia include the management of all types of systems certification, including that of environmental (ISO 14001), safety & health (OHSAS 18001) and Clean Development Mechanisms (CDM). He is currently the General Manager in Intertek Certification International Sdn. Bhd. He is a member of the Internal Review Panel for RSPO Assessment reports since May 2011. He is part of the RSPO CB Assessment team which audited RSPO certified Plantation Management Units since 2012.

Mr. Chin Bit Kee (CBK) – Assessor / Technical Expert

(Good Agriculture Practice, Integrated Pest Management and Social)

- Degree in Food Technology from University of Reading, United Kingdom

Mr. Chin Bit Kee has more than 5 years working experience in the oil palm plantation, agriculture & social (worker welfare) related field. He has successfully participated in RSPO training conducted internally by Intertek on 17 April 2014 and completed a supervised period of training in practical auditing in agriculture industry and related field, with more than 15 days audit experience in at least 3 audits at different organizations. He has adequate knowledge on Palm Oil sector such as industry fundamentals sustainability, social and OHS issues (e.g. worker welfare issues and social matters such as employment terms, gender issues, worker welfare etc.) environmental matters (e.g. pollution control, conservation of resources). He is a member of the RSPO CB Assessment team which audited several RSPO certified Plantation Management Units since 2014.

Mr. Sazali Hasni – Assessor / Technical Expert

(Environment, Conservation and HCV area)

- Bachelor of Science (Forestry)

Mr. Sazali Hasni (SH) has over 25 years work experience in the forestry sector. He is an IRCA Auditor for ISO 9001 and auditor for the PEFC Chain-of-Custody Certification. He has successfully completed training in the Intertek In House RSPO P&C, MYNI. He was a member in the stakeholder consultation and development of the Malaysian Criteria & Indicators (MC&I) for Forest management Certification. He has been involved in the auditing of Forest Management Certification for the Perak State Forestry Department and Pahang State Forestry Department. He has also been involved with a German based company in testing their criteria for carbon tracing in an oil palm plantation in 2011. He had also acted as the regional consultant to International Tropical Timber Organization (ITTO) for the Asia Pacific region in the Evaluation and Monitoring of Projects funded by the organization from 1994 to 1998. Projects funded are mainly forestry related such as reforestation, conservation, community forestry apart from other research based projects.



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Mr. Jumat Majid – Assessor / Technical Expert

(Social Responsibility and Workers Welfare)

– BSc (Social Science)

Mr. Jumat Majid (JM) has over 13 years work experience in the agriculture sector. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001:2008 and RSPO P&C MY-NI Lead Assessor course. He has also successfully completed training programs in Organic Agriculture Development and had performed organic agriculture inspections and assessments for more than 6 years. He has been involved in NGO work in the areas of social impact assessments within the South East Asia region. He is part of the RSPO CB Assessment team which audited RSPO certified Plantation Management Units since 2010.

Mr. Reaksa Rous (RR) – Local Expert

(Local Expert cum Interpreter)

– Master in Political Science & International Relations, Diploma in Criminology & Crime Administration, BBA in Management

Mr. Reaksa Rous had held several work positions since 1991 till to date as a Teacher, Lecturer, Trainer, Interpreter and Consultant. He has over 10 years' experience and knowledge of Cambodian laws and regulations including Agriculture, Social and Environmental related laws. His experiences include specialization in Khmer Literature, Drug Enforcement Law, Nature Crime Investigation on Wildlife and Labor Migration Policies and Management. He was a CB Local Technical Expert cum Interpreter in the stakeholder consultation and development of the RSPO Cambodian Local Indicators in 2012.



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Appendix B:

Assessment Plan (Actual)

Date	Time (Note 3)	Assessors and Assessment Activity				
		Assessment Team				
19 Jun 2017 Monday (Day 1)	8.00 am – 11.00 am	Travel to Phnom Penh				
	11.00 am - 1.00 pm	Travel from Phnom Penh to Anlong Kropeu POM				
	1.00 pm - 2.00 pm	Lunch Break				
	2.00 pm – 2.30 pm	Opening Meeting and Briefing at POM Office (to be attended by representatives from the Estates as well)				
	2.30 pm – 5.00 pm	Document Review and Assessment by all Assessors on respective RSPO P&C:1 to 8 at POM				
		OCL	CBK	SH	JMD	RR
		Site assessment at Mill 1 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P8 Continual Improvement • SCC for POM 	Site assessment at Mill 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P4 Best Practices at Mill • P8 Continual Improvement 	Site assessment at Mill 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation & HCV • P8 Continual Improvement 	Site assessment at Mill 1 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement 	Site assessment at Mill 1 <ul style="list-style-type: none"> • Assisting Auditors • P2 Laws & regulations • P4 - P8
		<ul style="list-style-type: none"> • Verification of effectiveness of corrective actions for non-conformances • Review of Time Bound Plan • Verification for compliance with rules on partial certification 				
	5.00 pm – 6.00 pm	Travel to Hotel & Break				
	6.00 pm – 7.00 pm	Team Meeting and Discussion				

Date	Time	Assessors and Assessment Activity				
		OCL	CBK	SH	JMD	RR
20 Jun 2017 Tuesday (Day 2)	8.30 am – 12.30pm	Site assessment at Estate A <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P8 Continual Improvement 	Site assessment at Estate A <ul style="list-style-type: none"> • P2 Laws & regulations • P4 Best Practices at Estate • P7 New Plantings • P8 Continual Improvement 	Site assessment at Estate A <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation & HCV • P8 Continual Improvement 	Site assessment at Estate A <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement 	Site assessment at Estate A <ul style="list-style-type: none"> • Assisting Auditors • P2 Laws & regulations • P4 - P8



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	12.30 pm – 1.30 pm	Lunch Break
	1.30 pm - 5.00 pm	Continue site assessment at Estate A
	5.00 pm – 6.00 pm	Travel to Hotel & Break
	6.00 pm – 7.00 pm	Team Meeting and Discussion

Date	Time	Assessors and Assessment Activity				
		OCL	CBK	SH	JMD	RR
21 Jun 2017 Wednesday (Day 3)	8.30 am – 12.30pm	Site assessment at Estate C <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • P8 Continual Improvement 	Site assessment at Estate C <ul style="list-style-type: none"> • P2 Laws & regulations • P4 Best Practices at Estate • P7 New Plantings • P8 Continual Improvement 	Site assessment at Estate C <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation & HCV • P8 Continual Improvement 	Site assessment at Estate C <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement 	Site assessment at Estate C <ul style="list-style-type: none"> • Assisting Auditors • P2 Laws & regulations • P4 - P8
	12.30 pm – 1.30 pm	Lunch Break				
	1.30 pm - 5.00 pm	Site assessment at Mill 2 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • SCC for POM 	Site assessment at Mill 2 <ul style="list-style-type: none"> • P2 Laws & regulations • P4 Best Practices at Mill • P8 Continual Improvement 	Site assessment at Mill 2 <ul style="list-style-type: none"> • P2 Laws & regulations • P5 Environmental, Conservation & HCV • P8 Continual Improvement 	Site assessment at Mill 2 <ul style="list-style-type: none"> • P2 Laws & regulations • P6 Employees, Individuals & Communities incl. Gender Issues • P8 Continual Improvement 	Site assessment at Mill 2 <ul style="list-style-type: none"> • Assisting Auditors • P2 Laws & regulations • P4 - P8
	5.00 pm – 6.00 pm	Travel to Hotel & Break				
	6.00 pm – 7.00 pm	Team Meeting and Discussion				

Date	Time	Assessors and Assessment Activity				
		OCL	CBK	SH	JMD	RR
22 Jun 2017 Thursday (Day 4)	8.30 am – 11.00 am	Site assessment at Mill 1 <ul style="list-style-type: none"> • P1 Transparency • P2 Laws & regulations • P3 Economic & Financial Viability • SCC for POM 	Stakeholders' Consultation on the following categories (see Notes 1 and 2 below): <ul style="list-style-type: none"> • Contractors • Suppliers • Transporters • NGOs • Government Department / Agencies • Local Community 			



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			Notes 1. It is mandatory for the PMU to inform Intertek and provide the information (as a minimum the no. of stakeholders in each applicable category and contact number) on the stakeholders <u>prior</u> to the assessment. 2. This will facilitate the random and impartial selection of stakeholders (including independent and organized smallholders, where applicable) and to meet the sample size requirement
	11.00 am – 12.30 pm		Site assessment at POM or estates to follow up on any specific criteria/areas
	12.30 pm – 1.30 pm	Lunch Break	
	1.30 pm – 5.00 pm	Continue site assessment at Mill 1	Site assessment at POM or estates to follow up on any specific criteria/areas
	5.00 pm – 6.00 pm	Travel to Hotel & Break	
	6.00 pm – 7.00 pm	Team Meeting and Discussion	

Date	Time	Assessors and Assessment Activity				
23 Jun 2017 Friday (Day 5)	8.30 am – 10.00 am	OCL	CBK	SH	JMD	RR
		Site assessment at POM or estates to follow up on any specific criteria/areas				
	10.00 am – 11.00 am	Preparation for Closing Meeting				
	11.00 am – 11.30 am	Team Meeting and Discussions with POM Management Representative				
	11.30 am – 12.30 pm	Closing Meeting & Briefing at Palm Oil Mill Office				
	12.30 pm – 1.30 pm	Lunch Break				
	1.30 pm – onwards	Travel to Phnom Penh				

Date	Time	Assessors and Assessment Activity			
10 Jun 17 Saturday (Day 6)	Morning	OCL	CBK	SH	JMD
		Flight back to Kuala Lumpur			

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Appendix C-1:

Location Map of MRICOP, Cambodia (Map Scale 1:100km)



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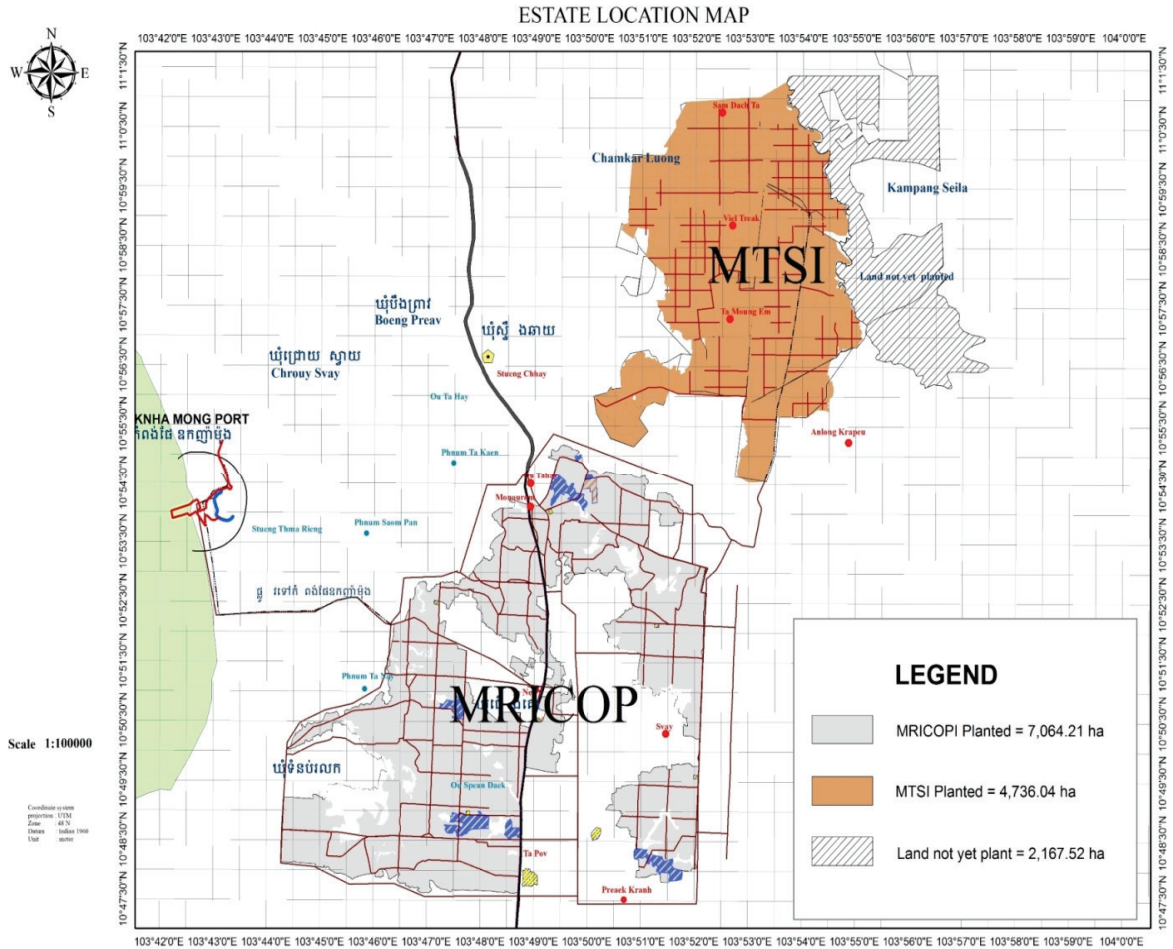
Appendix C-1-2:
Location Map of MRICOP Choeng Kor Commune, Prey Nop District,
Sihanoukville, Cambodia (Map Scale 1: 20km)



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Appendix C-2:

Location of Estates and surrounding landscape

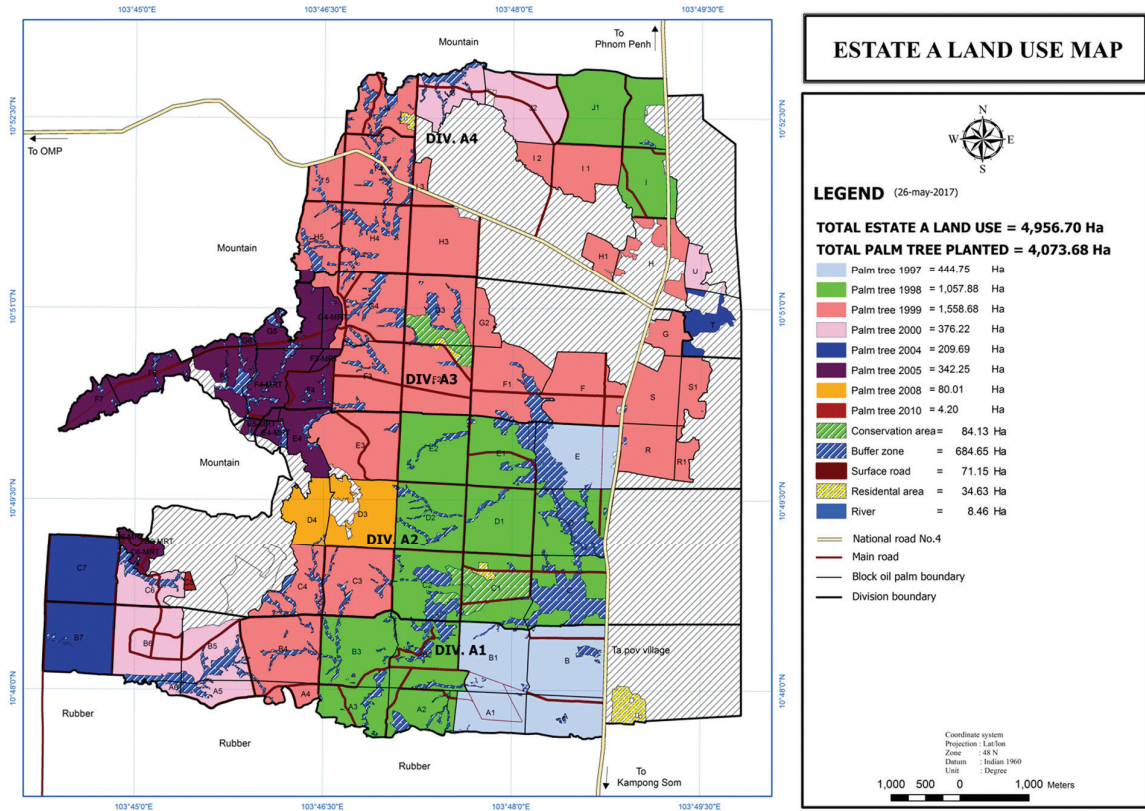


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Appendix C-2-1:

Land Use Map – Estate A

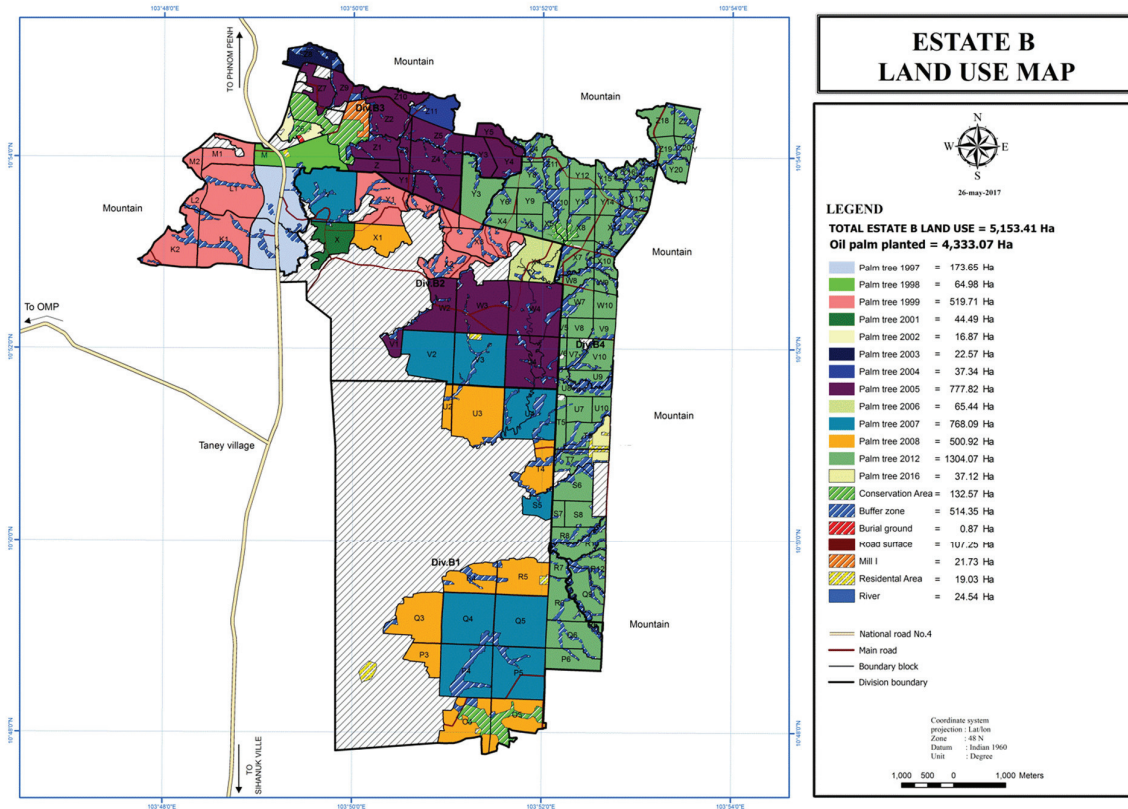


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Appendix C-2-2:

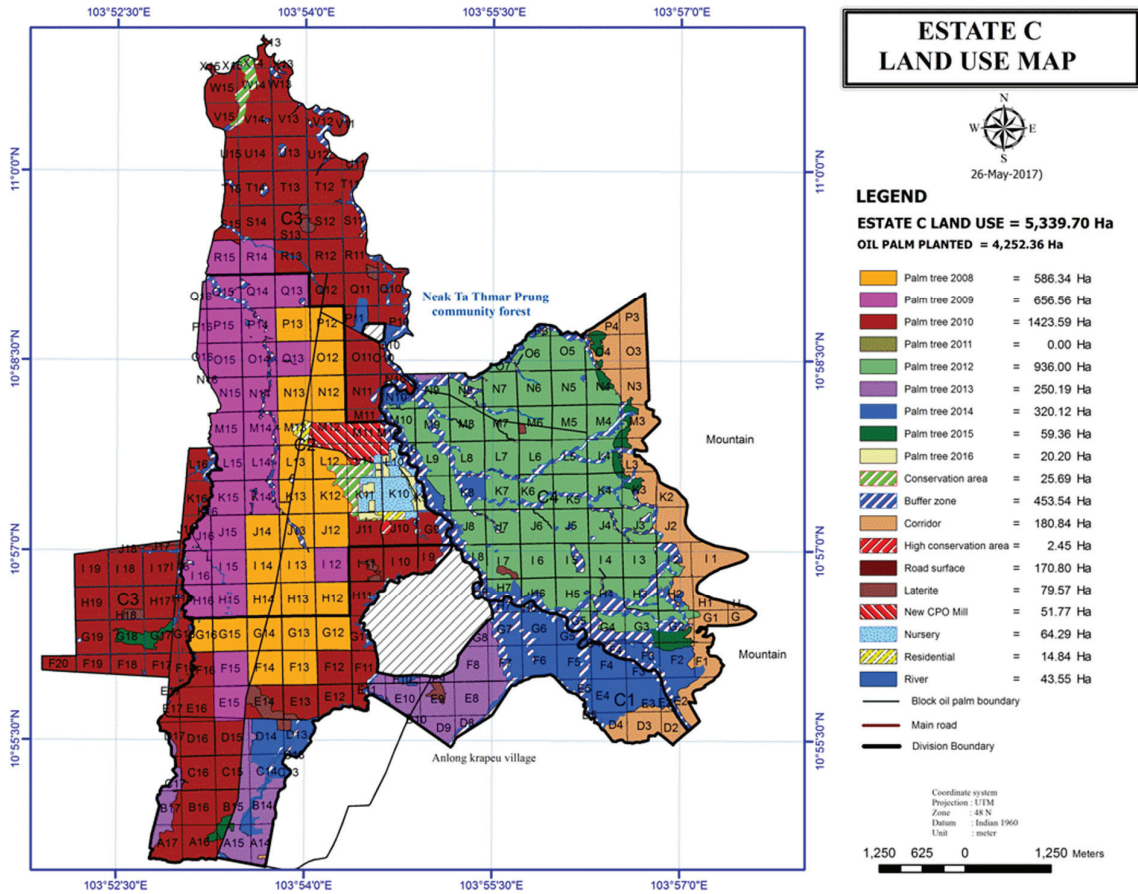
Land Use Map – Estate B



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Appendix C-2-3:

Land Use Map – Estate C

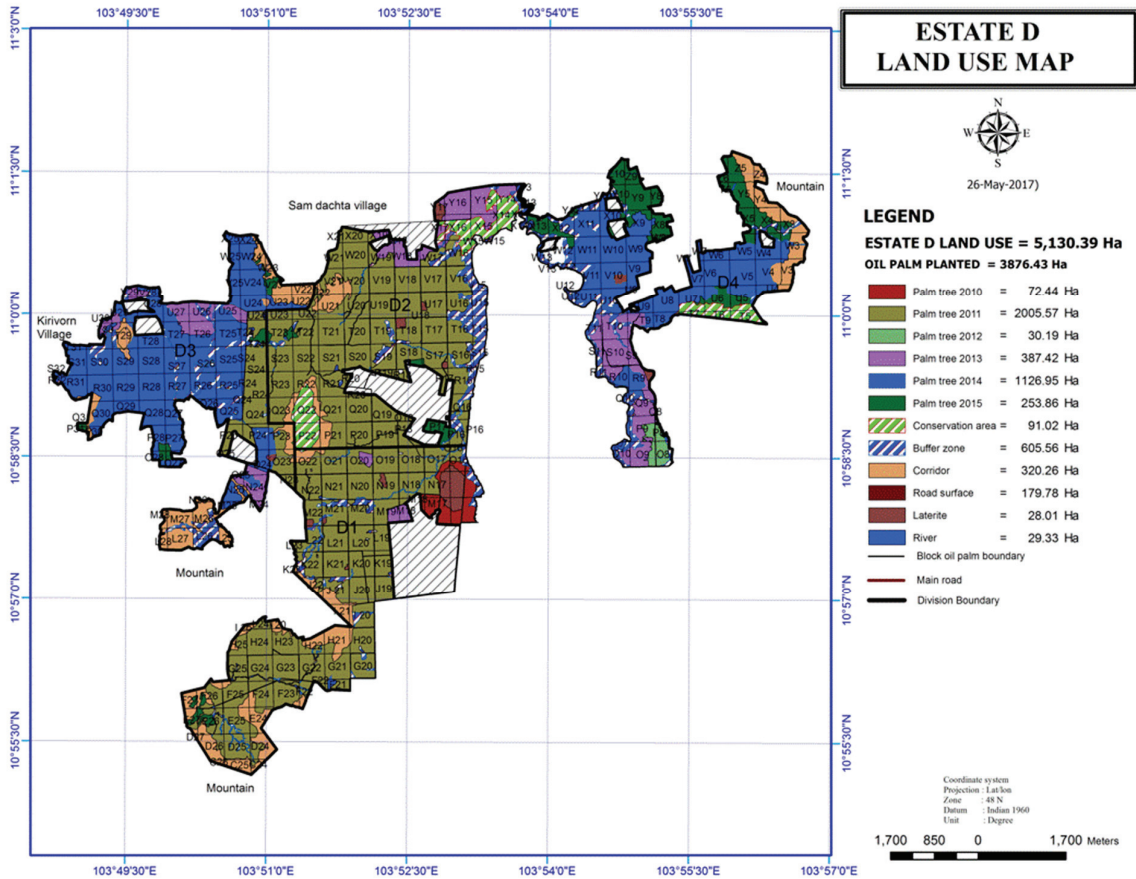


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Appendix C-2-4:

Land Use Map – Estate D



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Appendix D:

Photographs taken at the PMU

<p>Signboard at buffer zone.</p>	<p>Chemical containers with inappropriate marking.</p>
<p>Generator set without safety barrier at MRICOP Monorum Palm Oil Mill.</p>	<p>Safety signs at MRICOP Monorum Palm Oil Mill.</p>



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Appendix E:

Time Bound Plan

At present, there are no other management units owned under MRICOP.

---End of Report---