

*Note: this report is based on a real assessment, but some information has been added or changed in order to anonymise the findings and follow the common TWG reporting format.*

**[Name of mill]**  
**Mill-level verification assessment**  
Conducted by Proforest Ltd  
[Date Month Year]  
**Detailed report**

## 1. Mill details

<b>Name (company)</b>	Xxxxx
<b>Address</b>	Xxxxx
<b>Geographical coordinates</b>	Xxxxx
<b>Mill representative</b>	Xxxxx
<b>E-mail</b>	Xxxxx
<b>Phone number</b>	Xxxxx

## 2. Information about the mill and its supply base

### 2.1 Operations

[Description of location and mill ownership].

Size of mill workforce is 160 people, broken down as follows:

- Permanent staff: 40 male, 15 female
- Temporary staff: 35 male, 32 female
- Seasonal staff: 20 male, 18 female

Managed plantations:

- Xxx: 850 ha, average age 11 years (immature 30%, young 25%, prime 45%)

Supply base:

- 800 associated smallholders
- Estimated 10 independent suppliers, of which eight are large estates
- Total size of supply base: 15,000 ha
- Range of planted areas: 1.5 ha to 400 ha

Proportions of FFB supply: 45% managed plantations; 35% scheme smallholders; 20% third party

### 2.2 Sustainability

[Mill X] is an RSPO member. It is not yet certified, but underwent a baseline assessment in April 2015. The company has carried out an HCV assessment of its managed plantations.

[Mill X] has a sustainability policy, which covers human rights, health and safety, and waste management. The company has funded community healthcare and education initiatives, and a conservation set-aside project.

[Mill X] is not working with a delivery partner on its sustainability policy.

### 3. Methodology and scope

<b>Objective of assessment</b>	Assess compliance with customer’s Responsible Palm Oil Sourcing policy; identify areas where support is needed
<b>How assessment was commissioned</b>	The mill-level verification assessment was commissioned by a customer which purchases palm oil from [Mill X] through a third party
<b>Methodology used</b>	Developed by Proforest, based on standard TWG Methodology for Conducting Mill-Level Verification Assessments, version of 7 September 2015
<b>Assessment criteria and indicators</b>	Based on customer’s Responsible Palm Oil Sourcing policy
<b>Amendments to criteria and indicators</b>	Not applicable

#### 3.1 The assessor

Proforest ([www.proforest.net](http://www.proforest.net)) was commissioned to undertake the mill-level verification assessment. Proforest, an independent company working with natural resource management and specialising in practical approaches to sustainability, has 15 years of experience in the implementation of responsible sourcing programmes, focusing on policy development, risk analysis across complex supply bases, supply chain mapping, and compliance assessments of suppliers. During the assessment, Proforest sub-contracted [Xxx] as a local partner to assist in [xxx].

##### Assessment team:

Name	Credentials and expertise
Xxxxx XXXXXXXXX (Team Leader)	Xxxxx
Xxxxx XXXXXXXXX	Xxxxx
Xxxxx XXXXXXXXX	Xxxxx
Xxxxx XXXXXXXXX	Xxxxx

#### 3.2 Scope of assessment

[Information on landscape and context]. The scope of the assessment was one mill, the managed plantation, associated smallholders and worker housing.

#### 3.3 Sampling and confidentiality

The method used to select a sample of workers to interview was random sampling from a list of workers created by the assessment team from employment documents. In total, **xx workers were interviewed**, broken down as follows: xx% men and xx% women; xx% permanent, xx% temporary and xx% casual; [xx% fieldworkers, xx% workers at the plant, xx% drivers and machinery operators and xx% nursery and extension staff]. There was also observation and informal discussion with workers during the site visit.

The method used to select a sample of smallholders to interview was a random selection of plots using a map provided by the company; however, their locations were selected purposively in order to cover both north and east of the mill. In total, **xx smallholders were interviewed in xx focus groups and a further xx were visited at their farms**, broken down as follows: xx% men and xx% women; all scheme smallholders. The assessment team also interviewed a representative of the main dealer who supplies independent FFB to [Mill X].

The following measures were undertaken to protect confidentiality of participants in the assessment and of sensitive High Conservation Values:

- During the preparation phase, the assessment team provided the mill with some guidance, in [local

language], on the verification process which explained the principle of confidentiality, for distribution among staff.

- Workers were chosen at random from lists created by the assessment team. Their names were recorded separately from the documentation of the interviews and were not passed on to the mill.
- Interviews were held away from the workplace and women were interviewed separately from men.
- Names of smallholders were also recorded in a separate document and were not passed on, and the precise location of smallholdings has not been reported.

### 3.3 Schedule

The mill-level verification assessment was carried out on [Date Month Year]. The schedule was as follows:

Date	Time	Activity
Xxxx	Morning	Opening meeting with mill – management and relevant technical staff
	Lunchtime	Interviews with mill and plantation worker representatives
	Afternoon	Time spent in mill: interviews, tour
	Afternoon	Visit to worker housing
	Afternoon	Document review
Xxxx	All day	Smallholder assessment <ul style="list-style-type: none"> <li>• Observations</li> <li>• Discussion and interviews with smallholders</li> </ul>
	Lunchtime	Community consultations
	Afternoon	Continued review of documents
	Afternoon	Follow-up discussion with technical staff
Xxxx	Morning	Meeting with FFB dealer and with local NGO [Xxxxxx]
	Morning	Visits to water treatment systems and chemical storage areas
	Afternoon	Assessment team pre-closing meeting
	Afternoon	Closing meeting with mill – management and relevant technical staff

### 3.4 Limitations and constraints

[Any significant limitations or constraints that affected the assessment mentioned here.]

## 4. Assessment results

The table below presents the results of the mill-level verification assessment. Detailed results are provided in the Annex.

Explanation of results classification system:

Compliance	<ul style="list-style-type: none"> <li>Compliance with indicator</li> </ul>
Minor	<ul style="list-style-type: none"> <li>Evidence of non-compliance with indicator or risk (minor)</li> </ul>
Critical	<ul style="list-style-type: none"> <li>Evidence of non-compliance with indicator or risk (critical)</li> </ul>

**Note: The criteria and indicators are different from the standard TWG criteria and indicators**

Criterion	Indicator	Result
<b>1. Legal and policy compliance</b>		
1.1 The supplier is committed to work towards complying with relevant sustainability requirements	1.1.1 There is a documented policy commitment to ensure that future new plantings do not result in deforestation, conversion of peat lands regardless of depth, or harm to local communities (see criteria 4, 5 and 6 below).	Compliance
	1.1.2 There is a documented time-bound plan with targets for meeting the requirements outlined in this document	Minor
1.2 The supplier has systems designed to ensure compliance with applicable and relevant laws and legislation	1.2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	Critical
<p><b>Summary:</b> The supplier has a documented policy of no deforestation; however, it does not have a plan or a timetable for its implementation. It was also noticed that some wetlands have been drained to establish new plantations. Although not considered forest areas, they may have likely appeared on an HCV assessment, had it taken place before the drainage.</p> <p>The supplier complies partially with the relevant local, national and international laws and regulations, but it does not have in place a procedure to identify future changes in the legal framework or new laws.</p>		
<b>2. Deforestation</b>		
2.1 No development of High Carbon Stock (HCS) forest areas	2.1.1 High Carbon Stock (HCS) areas are identified, prior to establishing new plantations or expanding existing ones.	Critical
	2.1.2 Any new plantings are consistent with the results of the HCS assessment, such that no new plantings take place on identified HCS areas.	Critical
2.2 No conversion of HCVs since November 2005	2.2.1 There is evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more-High Conservation Values (HCVs), since November 2005.	Compliance
	2.2.2 A comprehensive HCV assessment, including stakeholder consultation, is conducted prior to any conversion or new planting.	Compliance
<p><b>Summary:</b> No High Carbon Stock (HCS) assessments have been carried out. However, there is no evidence that primary forest has been converted to plantations. Most estates are located on land that has been under cultivation since the 1930s. An HCV studies has been conducted and there is a management plan for protecting HCVs and local RTE species.</p>		

<b>3. Development on peat lands</b>		
3.1 No new development on peat lands, regardless of depth	3.1.1 There are no new plantation developments on any peat land (regardless of depth).	Compliance
3.2 Application of best management practices in existing plantations on peat land areas	3.2.1 Where there are existing plantations on peat, subsidence of peat soils shall be minimised by best management practices, including a water management and ground cover programme.	Compliance
<b>Summary:</b> There are no peat soils in the region; best practices for soil conservation are followed.		
<b>4. Use of fire</b>		
4.1 Implementation of a no-burning commitment	4.1.1 There is no waste management and land preparation by burning for any new plantings or re-plantings.	Minor
<b>Summary:</b> The company has a plan for the responsible use of fire but it is not currently published. No evidence was observed of the use of fire in the field.		
<b>5. Management of environmental impacts</b>		
5.1 Impact assessment for existing plantations	5.1.1 An environmental impact assessment shall be documented.	Minor
	5.1.2 A management plan is developed and implemented, and there is ongoing monitoring.	Minor
5.2 Maintenance and/or enhancement of HCVs and RTEs on current operations	5.2.1 Information is collated in a High Conservation Value (HCV) assessment	Compliance
	5.2.2 There is a management plan with effective measures to maintain and/or enhance HCVs and RTEs effected by mill or plantation operations.	Minor
5.3 No use of WHO Class 1A or 1B pesticides	5.3.1 The use of chemicals is compatible with best agricultural practices	Critical
	5.3.2 There is no evidence of use of Paraquat or other pesticides categorised in Classes 1A or 1B by the World Health Organisation	Critical
<b>Summary:</b> The mill carried out an environmental diagnostic and has the required environmental license. However, it has not carried out an Environmental Impact Assessment and there is no environmental implementation and management plan. Further, the production areas (in this case those of associated producers) have no EIA or environmental management plans in place.  Neither the plant nor the production areas have information available or management plans about HCVs or RTE species.  The use of highly toxic chemicals was observed in several estates visited.		
<b>6. Greenhouse gas (GHG) emissions</b>		
6.1 Progressively reduce GHG emissions on existing plantations and operations	6.1.1 All sources of GHG emissions are identified. There are records and/or action plans to demonstrate reductions in net GHG emissions for plantations and operations.	Critical
<b>Summary:</b> There is no list identifying GHG emissions sources nor a plan to demonstrate net reductions.		

7. Social compliance		
7.1 Respect and support for the Universal Declaration of Human Rights or similar statement	7.1.1 A documented policy to respect human rights is communicated to all levels of the workforce and implemented. The policy commits the supplier to protect human rights and ensure that there is no complicity in any abuses.	Minor
7.2 Respect land tenure rights (production only on legally held land)	7.2.1 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.	Compliance
	7.2.2 There are no significant land conflicts, unless conflict resolution processes are being implemented that are accepted by all of the parties involved.	Compliance
7.3 Respect the rights of indigenous and local communities to give their free, prior and informed consent (FPIC) to operations on lands over which they hold legal, communal or customary rights	7.3.1 Evidence shall be available that affected local peoples understand they have the right to say 'no' to operations planned on their lands, up until an agreement has been signed and ratified by these local peoples.	Compliance
	7.3.2 The process and outcome of any negotiated agreements and compensation claims is documented, with evidence of the participation of affected parties (including women), and complies with FPIC principles.	Compliance
7.4 No use of illegal, forced or child labour	7.4.1 There is no use of illegal, forced, bonded or compulsory labour as per ILO Conventions 29 and 105.	Compliance
	7.4.2 There is no use of child labour. Child labour refers to work that is mentally, physically, socially, morally dangerous or harmful to children or that improperly interferes with schooling needs as per ILO Conventions 138 and 182. (Where it occurs that children work on smallholder family farms in the supply base, evidence is available that steps have been taken to avoid or eliminate harmful child labour).	Critical
7.5 Recognition of workers' rights	7.5.1 Workers' pay, hours of work, benefits and working conditions comply with minimum legal requirements or mandatory industry standards, including any applicable collective agreements. This includes contract, temporary and migrant workers.	Minor
	7.5.2 Hiring and employment practices do not discriminate on the ground of criteria such as race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age.	Compliance
	7.5.3 The rights of workers to freedom of association and collective bargaining are respected, consistent with applicable ILO Conventions 87 and 98 and those identified by the United Nations Universal Declaration of Human Rights.	Minor
7.6 Safe and healthy workplace	7.6.1 Adequate health and safety equipment and training is provided on health and safety policies.	Minor
	7.6.2 A safe and healthy working environment that is free from sexual and other forms of harassment is promoted.	Compliance

<p><b>Summary:</b>  Land use is not contested by the communities and there are no conflicts on the land. However, some partners do not have documents confirming legal ownership that include formal inscription in the land registry. Indicator 7.3.2 is not applicable, since the land was allocated as part of [...].  There is no illegal labour taking place at the mill, but some instances of child labour was observed in some plantations.  No discrimination was observed at the mill or the plantations. The wages paid to the mill staff met the minimum legal requirements. However, the same did not apply to all of the plantations, where employees did not have work contracts or a holiday entitlement. The mill has in place a policy of free association but this is not known by all employees. The plantations do not have such policy. Several observations were made at the mill regarding the health and safety aspects of some of the operations. No evidence of harassment was observed, however, either at the mill or at the plantations. The company has a complaints box but no mechanism to deal with them in an appropriate manner.</p>		
<p><b>8. Supply chains</b></p>		
<p>8.1 Traceable and transparent supply chains</p>	<p>8.1.1 Each mill has a documented system to ensure that all supply is fully traceable from company plantations, associated smallholders, and other third party suppliers to the mill. Supply records include:  a. Names of all suppliers directly supplying to mill;  b. Percentage from estates, smallholders and dealers.</p>	<p>Minor</p>
	<p>8.1.2 Measures designed to ensure that FFB is not sourced from any illegally occupied land or from any legally protected areas are defined and implemented, based on known levels of risk.</p>	<p>Critical</p>
<p>8.2 Inclusion of smallholders into supply chains (where the mill sources from smallholders)</p>	<p>8.2.1 A documented programme is in place to support smallholders in working towards complying with these requirements.</p>	<p>Compliance</p>
	<p>8.2.2 Efforts and/or resources have been allocated to improve smallholder productivity and provide other appropriate support measures.</p>	<p>Compliance</p>
	<p>8.2.3 The mill and any intermediaries deal fairly and transparently with smallholders on FFB pricing mechanisms, payments and deductions, loans or advances.</p>	<p>Compliance</p>
<p><b>Summary:</b> Although the mill has a system in place that assigns a code to each producer selling fruit directly to the company, there is no mechanism that allows to identify the different sources of fruit sold by coded producers. There is no system or instrument in place to ensure that the origin of FFBs is not from Protected Areas or illegally occupied land.  Participation of smallholders (SH) is encouraged and resources to support them are allocated. There is evidence of a fair and transparent treatment to smallholders.</p>		

## 5. Commentary and response

### 5.1 Summary of progress made by the mill or elements of its supply base

[Mill X] has not undergone a mill-level verification assessment before. However, according to the findings of its recent RSPO baseline assessment, [Mill X] has made some progress in recent months in strengthening its health and safety policy and instituting a procedure for communicating the policy among smallholders and monitoring implementation.

In 2014, an association of 75 independent smallholders began receiving training and capacity-building from the NGO Xxx as part of a programme to support small-scale export-oriented agriculture in [region]. Since then, the smallholders have significantly improved their practices for using and storing chemical pesticides and have been assisted in collectively identifying High Conservation Values.

## 5.2 Response to findings by mill during closing meeting

The assessment team presented the preliminary findings to the mill management during the closing meeting. The mill made the following comments:

- It has faced a challenge in identifying a definition of High Carbon Stock and in building capacity among its staff for overseeing HCS assessments.
- In May 2014, representatives of plantation workers requested a change to the method of payment, from daily to weekly rates. The mill acknowledges that the current system is flawed and often leads to delays to workers. The management reported that there have been challenges in updating the accounts system to weekly payments, but that it expects to introduce the new system in Q4 of 2015.
- The mill questioned the evidence for harmful child labour among independent smallholders and observed that the assessment team visited only a proportion of the supply base. The assessment explained that in addition to conducting interviews, they gathered information from the local partner, Xxx. It was also noted that a follow-up site visit could help to better assess the extent of child labour in the supply base and confirm its socio-economic characteristics.

## 5.3 Recommendations and actions preliminarily agreed

During the closing meeting, the mill and assessment team discussed possible measures to address the sustainability risk areas identified during the site visit, with the potential support of the customer. The recommendations of Proforest are as follows:

### 1. Legal and policy compliance:

- Develop a plan for implementing the no-deforestation policy, including the time, and the human and financial resources to implement it.
- Meet the partners to share the findings regarding compliance with the criteria and indicators about local, national and international laws and regulations, and establish a work plan for compliance with the criteria and indicators.
- Develop and implement a training programme for plantation managers, using them to achieve a multiplier effect with the staff working in the plantations.
- Assign more staff to conduct agricultural extension, conducting more frequent and longer visits to the plantations and also to adequately respond to adverse situations that may arise.
- Plan assessment days to measure the degree of compliance with the commitments made in the work plan developed with partners.

### 2. Deforestation:

- Conduct a Social and Environmental Impact Assessment (SEIA) when developing new plantations.
- Develop a documented plan for the management and operational procedures within each production unit to avoid or mitigate the potential negative impacts identified.
- Promote an awareness raising process to encourage internal decision making within producers and associative farm enterprises with the aim of generating a new understanding towards systems development (environmentally sustainable, economically viable and socially equitable and fair palm growing activities).
- Develop a management plan and a systematic and permanent monitoring system with the aim of maintaining or enhancing one or more high conservation values, as a result of conducting HCV assessments.
- Organise training and feedback sessions with producers and managers of partnering associative farm enterprises, to facilitate decision making on HCS issues.
- Recruit staff with the technical skills to allow them to lead processes with producers around HCS issues.

### 5. Management of environmental impacts:

- The mill should promote a process of dialogue and awareness raising with producers and managers of partners' associative farm enterprises, leading to carry out Environmental Impact Assessments in the various production units (plantations), each with its own management plan and a systematic and continuous monitoring system. Also, to conduct an EIA of the company.
- Appoint a person to drive a variety of environmental and social processes of internal change within the company.
- Develop an environmental management plan and related monitoring and evaluation system of compliance.
- Develop a programme to train mill staff, in partnership with producers and associative farm enterprises, to foster adoption of the concept and understanding of the reasons behind a HCV assessment.
- Both at the mill and at each of the production units, a management plan including effective measures to maintain and/or improve HCVs and RTE species affected by operations should be developed.
- Segment producers by size (small, medium, large and associative enterprises) with the aim of developing different approaches based on the realities of each plantation.
- Appoint technical staff with the professional profile and experience suited to each of the producer categories and organise awareness days with producers and managers of associative farm enterprises, to bring attitude changes in oil palm cultivation (e.g. replace category 1A or 1B chemicals with allowed alternatives).

#### **7. Social compliance:**

- The mill and plantations should conduct a social impact assessment to identify any negative impacts as a result of the management of plantings and replanting.
- Develop, implement and monitor plans to mitigate any negative impacts while promoting the positive ones, to demonstrate continuous improvement.
- Appoint or outsource qualified personnel to lead on social impact assessment processes.
- Develop a list of partner producers and list the land tenure status for each of them.
- Develop and implement a strategy for all producers without legal tenure documents to obtain formal title deeds.
- Appoint a person responsible for leading the implementation of the policy to respect the human rights of the workers in the company.
- Empower the policy of respect to the human rights of staff at all levels through dissemination events, making posters with the rights to be placed in strategic places or circulating flyers, among other ideas, to allow the personnel to become familiarised with the policy.
- Maintain the current good relationships between management and employees, employee to employee and employee to partner.
- Contracts with all plantation employees, whether permanent or temporary, should be drafted and signed.
- Workers at the mill and plantations must be provided with personal protective equipment that is adequate for performing their duties.
- Develop a training programme for staff at the mill and plantations in matters of health and safety policies.
- An open, transparent and effective complaints system that is accepted by all concerned parties at the mill and the plantations needs to be developed and implemented.

#### **8. Supply chains:**

- Carry out georeferenciation of all estates and map their location, including their coordinates.
- Develop a more reliable and comprehensive traceability system, capable of differentiating the percentage of the supply that comes from associative farm enterprises, smallholders and intermediaries, respectively.
- Keep strengthening the participation of smallholders into the supply chain.
- Define a strategy to inform producers about changes in FFB pricing mechanisms and payments.
- Keep dealing fairly and transparently with smallholders.

The assessment team agreed to consider the recommendations in developing the continuous improvement plan.

## 6. Annex: Detailed assessment findings against each indicator

Criterion	Indicator	Evidence gathered and assessment detail	Result
<b>1. Legal and policy compliance</b>			
1.1 Commitment to comply with sustainability standards consistent with these requirements	1.1.1 There is a documented policy commitment to ensure that future new plantings do not result in deforestation, conversion of peat lands regardless of depth, or harm to local communities (see criteria 4, 5 and 6 below).	The company has in place a documented policy of no deforestation.	Compliance
	1.1.2 There is a documented time-bound plan with targets for meeting the requirements outlined in this document	The company does not have a documented time-bound plan including a schedule of activities and a list of responsible people for the monitoring of the compliance with the objectives and goals contained in the no deforestation policy mentioned above.	Minor
1.2 The supplier has systems designed to ensure compliance with applicable and relevant laws and legislation	1.2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	The supplier partially meets the local, national and international laws and regulations: the mill does not meet the standards for sewage discharges and the measuring of GHG emissions; there are providers operating in the buffer zones of protected areas without a beneficial interest agreement; human resources in plantations are not trained in the safe handling of chemicals and do not use, or partly use, protective equipment.	Critical
<b>2. Deforestation</b>			
2.1 No development of High Carbon Stock (HCS) forest areas	2.1.1 High Carbon Stock (HCS) areas are identified, prior to establishing new plantations or expanding existing ones.	No assessment is performed to identify high carbon stock areas prior to establishing new plantings or expanding the existing ones.	Critical
	2.1.2 Any new plantings are consistent with the results of the HCS assessment, such that no new plantings take place on identified HCS areas.	There is misinformation or ignorance on the producers' side about what are high carbon stock areas and their importance, which makes some new plantations inconsistent with the results of the HCS assessment.	Critical

Criterion	Indicator	Evidence gathered and assessment detail	Result
2.2 No conversion of HCVs since November 2005	2.2.1 There is evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005.	No evidence was found at the estates visited that primary forest has been replaced by new plantations. Most of the land where the company estates are located sits on areas formerly cultivated with xxx since the 1930s, while other areas were used for basic grains and pastures.	Compliance
	2.2.2 A comprehensive HCV assessment, including stakeholder consultation, is conducted prior to any conversion or new planting.	The productive units (plantations) have a documented HCV assessment; however, xxxxx.	Minor
<b>3. Development on peat lands</b>			
3.1 No new development on peat lands, regardless of depth	3.1.1 There are no new plantation developments on any peat land (regardless of depth).	There are no peat soils in the area of influence of the company, and best management practices (BMPs) are applied at the plantations such as using lime and manure to improve the organic matter content in soils.	Compliance
3.2 Application of best management practices in existing plantations on peat land areas	3.2.1 Where there are existing plantations on peat, subsidence of peat soils shall be minimised by best management practices, including a water management and ground cover programme.	Around 30% out of xxx partner producers conduct a soil analysis every four years and annual foliar analyses, which is expected to increase to 100% by 2016.	Compliance
<b>4. Use of fire</b>			
4.1 Implementation of a no-burning commitment	4.1.1 There is no waste management and land preparation by burning for any new plantings or re-plantings.	It was possible to verify that the ground is not prepared for new planting or replanting by burning at the production units visited. The mill carries out specific activities to provide training and technical assistance on alternatives to burning. The company has in place a policy for the responsible use of fire, but it has not been published.	Minor

5. Management of environmental impacts			
5.1 Impact assessment for existing plantations	5.1.1 An environmental impact assessment shall be documented.	<p>The mill has a documented environmental diagnostic.</p> <p>The mill has an environmental license from, dated [xxx], and valid for 5 years.</p> <p>Environmental impact assessments have not been conducted at the partners' plantations and, as a result, there is no development of the associated management and monitoring plans.</p>	Minor
	5.1.2 A management plan is developed and implemented, and there is ongoing monitoring.	The mill does not have an environmental management plan with an ongoing monitoring system in place, which is an obligation arising from having obtained an environmental license.	Minor
5.2 Maintenance and/or enhancement of HCVs and RTEs on current operations	5.2.1 Information is collated in a High Conservation Value (HCV) assessment	The mill has available information collected during the HCV assessment. Several employees of the mill have some knowledge about HCV assessments when developing new plantations.	Compliance
	5.2.2 There is a management plan with effective measures to maintain and/or enhance HCVs and RTEs effected by mill or plantation operations.	There is a management plan with effective measures to maintain and/or enhance HCVs and RTE species affected by the operations of the mill or the plantations. Evidence of initiative of individual staff members suggests good understanding of the management plan and capacity-building of staff.	Compliance
5.3 No use of WHO Class 1A or 1B pesticides	5.3.1 The use of chemicals is compatible with best agricultural practices	See below.	Critical
	5.3.2 There is no evidence of use of Paraquat or other pesticides categorised in Classes 1A or 1B by the World Health Organisation	It was possible to observe at the estates visited the use of highly toxic chemicals such as Vydate (1A) and Paraquat (2), among others, while some staff from the company (mill) volunteered that currently only 10% of the xxx partner producers do not apply Paraquat.	Critical
6. Greenhouse gas (GHG) emissions			
6.1 Progressively reduce GHG emissions on existing plantations and operations	6.1.1 All sources of GHG emissions are identified. There are records and/or action plans to demonstrate reductions in net GHG emissions for plantations and operations.	There is no list identifying neither GHG emissions sources nor a plan to demonstrate net reductions at the mill and the productive units (plantations) operations.	Critical

7. Social compliance			
7.1 Respect and support for the Universal Declaration of Human Rights or similar statement	7.1.1 A documented policy to respect human rights is communicated to all levels of the workforce and implemented. The policy commits the supplier to protect human rights and ensure that there is no complicity in any abuses.	There is a documented policy of respect for human rights, although this is not known by, and shared among, all staff at all levels within the company.	Minor
7.2 Respect land tenure rights (production only on legally held land)	7.2.1 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.	The lands have not been challenged by local communities, because these were acquired by purchase and inheritance. There is a respect of land ownership rights, although not all producers have legal title deeds.	Compliance
	7.2.2 There are no significant land conflicts, unless conflict resolution processes are being implemented that are accepted by all of the parties involved.	No conflicts have appeared over land tenure rights.	Compliance
7.3 Respect the rights of indigenous and local communities to give their free, prior and informed consent (FPIC) to operations on lands over which they hold legal, communal or customary rights	7.3.1 Evidence shall be available that affected local peoples understand they have the right to say 'no' to operations planned on their lands, up until an agreement has been signed and ratified by these local peoples.	There are no agreements or consent to the operations, because much of the land was allocated to farmers as part of [...] and the communities that were established as a result are formed by many of the small producers that make up the production base of the company.	Compliance
	7.3.2 The process and outcome of any negotiated agreements and compensation claims is documented, with evidence of the participation of affected parties (including women), and complies with FPIC principles.	Not applicable.	Compliance
7.4 No use of illegal, forced or child labour	7.4.1 There is no use of illegal, forced, bonded or compulsory labour as per ILO Conventions 29 and 105.	There is no forced labour taking place at the mill or the plantations. Instead, it was possible to observe a good working environment and a great deal of commitment and mutual respect at all levels. No minors are hired at the mill.	Compliance

	7.4.2 There is no use of child labour. Child labour refers to work that is mentally, physically, socially, morally dangerous or harmful to children or that improperly interferes with schooling needs as per ILO Conventions 138 and 182. (Where it occurs that children work on smallholder family farms in the supply base, evidence is available that steps have been taken to avoid or eliminate harmful child labour).	Child labour was observed at several of the plantations visited, typically consisting on tasks involving the collection of loose seeds. On one estate, a minor was found working as xxx. These activities carry the risk of being bitten by wildlife and often prevent the minors from attending to school or arriving very tired to class.	Critical
7.5 Recognition of workers' rights	7.5.1 Workers' pay, hours of work, benefits and working conditions comply with minimum legal requirements or mandatory industry standards, including any applicable collective agreements. This includes contract, temporary and migrant workers.	The wages and benefits of workers at the mill meet the minimum legal requirements and industry mandatory standards. A group, however, works shifts of 12-hour days during day time for a period of two weeks shifting to the night time for the next two weeks, and when they have to change from day time to night time, or vice versa some workers have to work 24 hour shifts. National labour legislation is not met in plantations, as the statutory minimum wage is not paid, the workers do not sign contracts and do not enjoy a holiday entitlement	Minor
	7.5.2 Hiring and employment practices do not discriminate on the ground of criteria such as race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age.		Compliance
	7.5.3 The rights of workers to freedom of association and collective bargaining are respected, consistent with applicable ILO Conventions 87 and 98 and those identified by the United Nations Universal Declaration of Human Rights.	<p>Within the human rights policy of the company, there is a section on freedom of association, but such policy is not shared or published and few people know about it. The personnel at the mill expressed during interviews not knowing the policy, but they also mentioned to be part of a savings cooperative and that they were not interested in other type of organization.</p> <p>There is no policy at the plantations mentioning the issue of freedom of association and the issue is not addressed</p>	Minor

7.6 Safe and health workplace	7.6.1 Adequate health and safety equipment and training is provided on health and safety policies.	<p>Mill workers are provided with protective equipment such as helmets, gloves and hearing protection, but there is a lack of training in health and safety policies. At the estates, the protective equipment for the application of agrochemicals is incomplete or inadequate, since only gloves, overalls and (dust) masks are provided, and no capes or back shields are used. Workers are not trained in these estates.</p> <p>Some dangerous items were identified at the mill such as compressed gas cylinders (oxygen and acetylene) stored without any support, as well as combustible materials close to the boiler which constantly produces sparks that could cause them to ignite. At the estates, the agrochemical storage facilities are built structures or have shelves of absorbent material that store different sorts of products and there is no orderly system for the storage of chemicals.</p>	Minor
	7.6.2 A safe and healthy working environment that is free from sexual and other forms of harassment is promoted.	A safe and healthy working environment that is free from sexual and other forms of harassment is promoted at the mill and the plantations.	Compliance
<b>8. Supply chains</b>			
8.1 Traceable and transparent supply chains	8.1.1 Each mill has a documented system to ensure that all supply is fully traceable from company plantations, associated smallholders, and other third party suppliers to the mill. Supply records include: a. Names of all suppliers directly supplying to mill; b. Percentage from estates, smallholders and dealers.		Minor
	8.1.2 Measures designed to ensure that FFB is not sourced from any illegally occupied land or from any legally protected areas are defined and implemented, based on known levels of risk.		Critical

8.2 Inclusion of smallholders into supply chains (where the mill sources from smallholders)	8.2.1 A documented programme is in place to support smallholders in working towards complying with these requirements.		Compliance
	8.2.2 Efforts and/or resources have been allocated to improve smallholder productivity and provide other appropriate support measures.		Compliance
	8.2.3 The mill and any intermediaries deal fairly and transparently with smallholders on FFB pricing mechanisms, payments and deductions, loans or advances.		Compliance

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