

RSPO – INITIAL ASSESSMENT

<p>PT. TAPIAN NADENGGAN PALM OIL MILL AND ITS SUPPLY BASE</p>
<p>Office: Sinar Mas Land Plaza, Tower II, 30th Floor, Jl. MH Thamrin No. 51, Menteng Jakarta</p>
<p>Location: Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur Kalimantan Timur</p>

Report Author:
Haeruddin – February 2015
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Section 1. Scope of the Certification Assessment

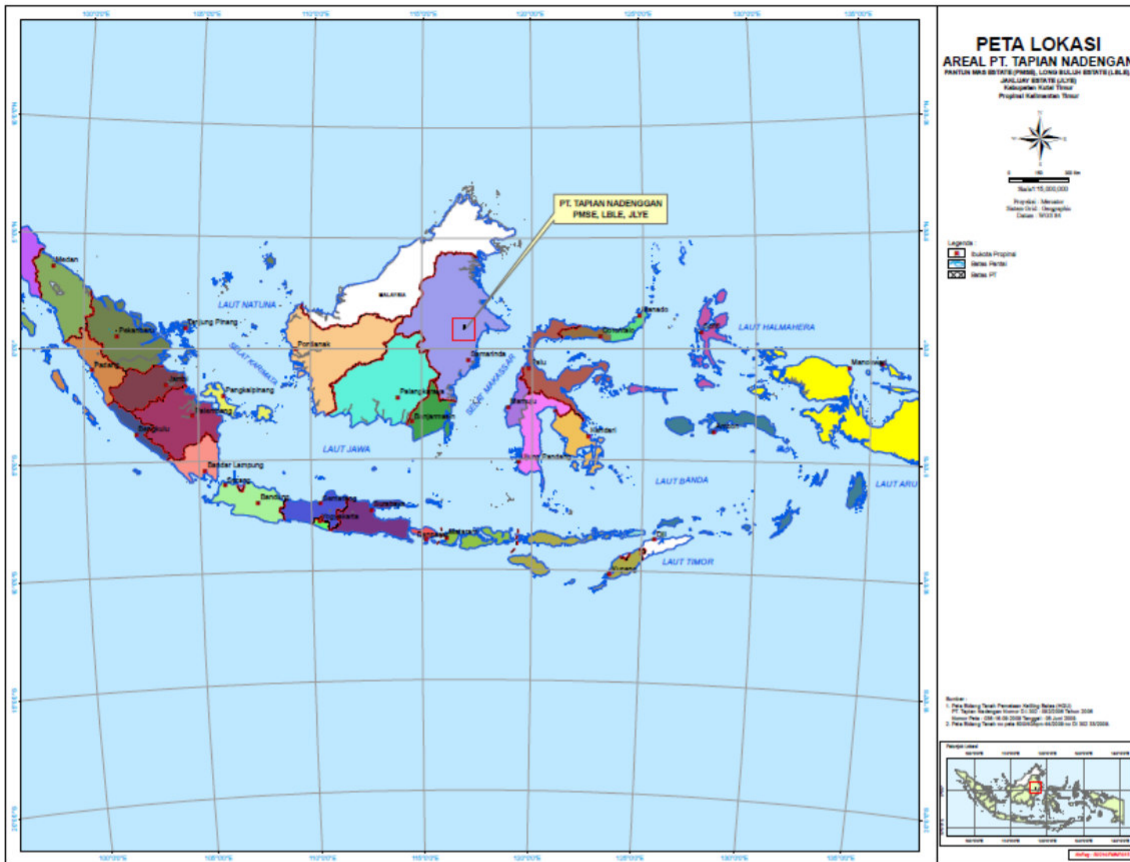
1.1. Company Details			
RSPO Membership Number	100190500000	Date	14 th January 2015
Company Name	PT. TAPIAN NADENGGAN		
Address	Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur Kalimantan Timur		
Subsidiary of (if applicable)	-		
Contact Name	Ismu zulfikar (Head of Environmental Department)		
Website	http://www.smart-tbk.com/	E-mail	Ismu.zulfikar@sinarmas-agri.com
Telephone	+62-21-50338899	Facsimile	

1.2. Certification Information			
Certificate Number	SPO 623595	Date	-
Scope of Certification	Production of CPO and PK at Jakluay Pal Oil Mill with 4 Estates as supply base, namely: Pantun Mas Estate, Jakluay Estate, Long Buluh Estate & Bukit Subur Estate. Jakluay Palm Oil Mill Capacity is 80 tonnes FFB/hour.		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
-	-	-	-

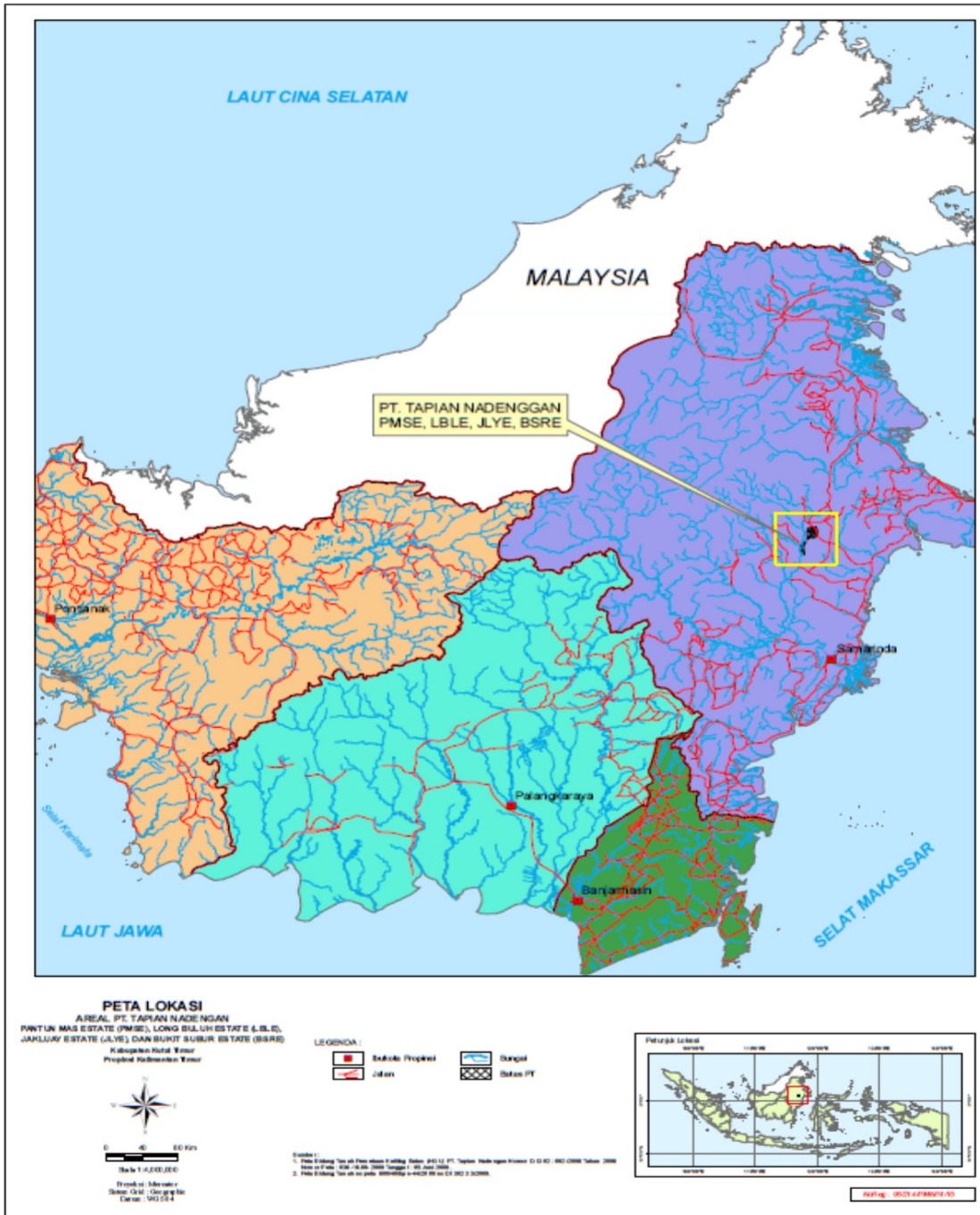
1.3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Jak Luay Palm Oil Mill	Desa Jak Luay, Kec Muara Wahau, kab Kutai timur, Kaltim	116°54'54.000"	0°57'03.000"
Jak Luay Estate	Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur Kalimantan Timur	116°55.52.779"	0°58'24.173"
Pantun Mas Estate	Desa Sidomulyo Kecamatan Kongbeng Kabupaten Kutai Timur	116°57'09.191"	1°00'55.103"
Long Buluh Estate	Desa Jak Luay Kecamatan Muara Wahau Kabupaten Kutai Timur Kalimantan Timur	116°57'03.181"	0°58'00.971"
Bukit Subur Estate	Desa Sidomulyo Kecamatan Kongbeng Kabupaten Kutai Timur	116°50'29.657"	0°49'09.694"

1.4. Description of Supply Base						
Estate	Mature (ha)	Immature (ha)	Infrastructure & Other (ha)	Total Planted (ha)	Total Hectarage	% of Planted
Jak Luay Estate	3,325.74	0	557.12	3,325.74	3,882.86	86
Pantun Mas Estate	4,364.91	0	731.28	4,364.91	5,096.19	86
Long Buluh Estate	2,682.32	13.12	803.95	2,695.44	3,499.39	77
Bukit Subur Estate	1,801.94	285.08	2,536.99	2,087.02	4,624.01	45
Total	12,174.91	298.20	4,629.34	12,473.11	17,102.45	

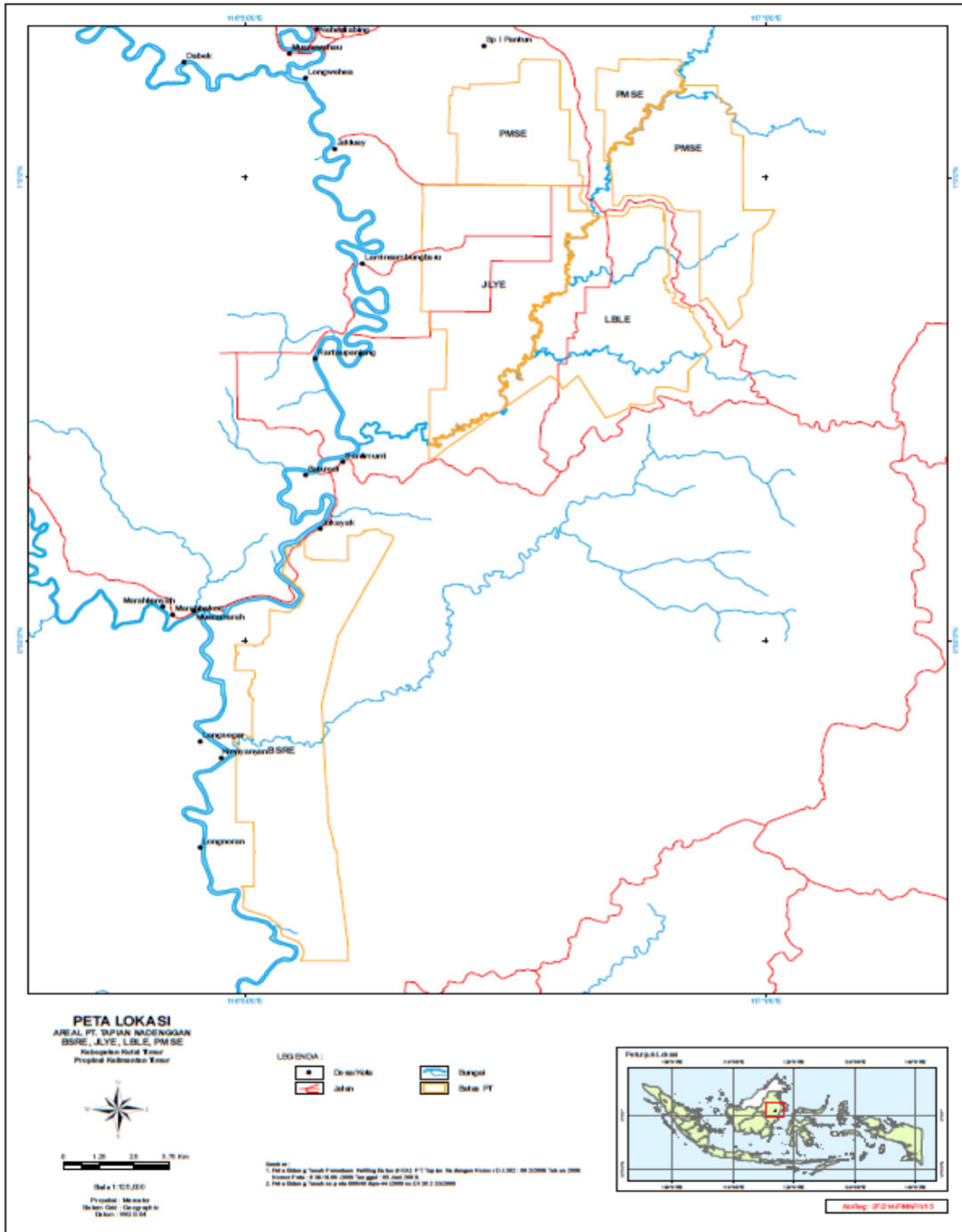
Map 1. Location of PT Tapian Nadenggan in Indonesia



Map 2. Location of PT Tapain Nadenggan and Kutai Timur District



Map 3. Location of PT Tapain Nadenggan in landscape level



1.5. Plantings & Cycle								
Estate	Age (Years) in Ha					Tonnage / Year (tonnes)		
	0 - 3	4 - 10	11 - 20	21 - 25	Total	Estimated (2014)	Actual (2014)	Forecast (2015)
Jak Luay Estate	0.00	1,872.14	1,453.60	0.00	3,325.74	-	-	104,818
Pantun Mas Estate	0.00	3,199.83	1,165.08	0.00	4,364.91	-	-	142,939
Long Buluh Estate	13.12	2,682.32	0.00	0.00	2,695.44	-	-	87,849
Bukit Subur Estate	285.08	1,801.94	0.00	0.00	2,807.02	-	-	53,645
Total	298.20	9,556.23	2,618.68	0.00	12,473.11	-	-	389,251

1.6. Certified Tonnage									
Mill	Estimated (2014)			Actual (2014)			Forecast (2015)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Jak Luay POM	-	-	-	-	-	-	389.251	98.286	21.409

Section 2 Assessment Process

Certification Body:
PT BSI Group Indonesia
Accreditation Certificate No. RSPO- ACC- 019
 Menara Bidakara 2
 17th Floor, Unit 5
 Jl. Jend. Gatot Subroto Kav. 71-73
 Komplek Bidakara, Pancoran
 Jakarta Selatan 12870 - Indonesia
 Tel: +62 21 8379 3174 - 77 Fax: +62 21 8379 3287
 Email: aryo.gustomo@bsigroup.com

BSi is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSi Standards is the UK’s National Standards Body. BSi provides independent, third-party certification of management systems. BSi has a Regional Office in Singapore and an Office in Kuala Lumpur.

A pre-audit to RSPO Principles and Criteria was conducted on 11th - 12th November 2014 to determine progress PT PT. Tapian Nadenggan has made towards certification. The Initial Certification Audit was conducted on 13th – 15th January 2015.

The approach to the audit was to treat each mill and its supply base as an RSPO Certification Unit. The mill was audited together with the plantations of its supply base. A range of environmental and social factors were covered. These included consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families, review of documentation and monitoring data. Checklists and questionnaires were used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment. Public announcement in RSPO website on 13^h January 2015 within 30 days prior audit conducted.

No nonconformities were found during this initial assessment.

The following table would be used to identify the locations to be audited each year in the 5 year cycle

1. Assessment Program					
Name (Mill / Supply Base)	Year 1	Year 2	Year 3	Year 4	Year 5
	11/2015	11/2016	11/2017	11/2018	11/2019
Jak Luay POM.	x	x	x	x	x
Jak Luay Estate		x		x	
Pantun Mas Estate			x		x
Long Buluh Estate	x	x			x
Bukit Subur Estate	x		x	x	

Tentative Date of Next Visit: 01/11/2015

Total No. of Mandays: 12 Mandays

BSI Assessment Team:**Haeruddin – Assessor (Lead Auditor)**

He holds Bachelor Degree in Forest Management, graduated from Hasanuddin University on 1994. He has 16 years of work experience in forest concession, forestry industry and the latest is within Oil Palm Plantation in Indonesia. He experiences as auditor for several sustainability standard including FSC, UTZ, Organic Farming, 4C, ISPO and RSPO. He completed the ISO 9001 Lead Auditor Course; ISPO Lead Auditor endorsed Course, RSPO Lead Auditor Course, and also completed ISCC, RSPO SCCS, RSPO RED course, etc. He had been involved in RSPO auditing since November 2010 in more than various companies in Malaysia, Thailand and Indonesia. During this assessment, he assessed on the aspects of legal, Environmental, HCV, Estate and Mill best practices and RSPO SCCS.

Nanang Kualib - Team member

He graduated from Bogor Agriculture University on 1999, Forestry Faculty. He involved in RSPO certification since 2010 as a team member covering assessment against RSPO P&C in Indonesia. He completed the ISO 9001 Lead Auditor Course, Technical Training of HCV Assessment; ISPO Lead Auditor endorsed Course. During this assessment, he assessed on the aspects of social.

Wahyu – Auditor

He holds a degree in Machine Engineering from Indonesian University on 2002. He completed the ISO 9001 and OHSAS 18001 Lead Auditor. During this assessment, he assessed on Environmental and OHS.

Reviewer:

This summary report was reviewed by Sabar Kembaren Internal Reviewer and Mr. Ganapathy (External reviewer), they are experience reviewer in RSPO.