

**RSPO**

Roundtable on Sustainable Palm Oil

**DRAFT FOR PUBLIC CONSULTATION**

**(April 1<sup>st</sup> 2016 to May 31<sup>st</sup> 2016)**

**OF THE NIGERIA NATIONAL INTERPRETATION OF RSPO  
PRINCIPLES AND CRITERIA FOR SUSTAINABLE PALM OIL**

**PREPARED BY**

**NIGERIA NATIONAL INTERPRETATION WORKING GROUP  
MARCH 2016**

Nigeria's palm oil production accounted for about 43% of the world production in the 1960s, nowadays it only accounts for 7% of total global output. About 89% of production comes from dispersed smallholders who harvest semi-wild plants and use manual processing techniques. About 2.3 million hectares is occupied by grove palms while 430,400 hectares is occupied by improved palm plantations. Though domestic production is nearly 900,000 tons, between 150,000 and 300,000 tons of Crude Palm Oil and 200,000 tons of Refined Palm Oil is imported.

Crude palm oil which is the product from smallholder processors is produced for the traditional market consisting of households, hotels and restaurants requirement for food preparation in Nigeria. The volume requirement in the traditional market is more than three times the requirement in industrial market. The traditional market therefore is the major determinant of supply deficit in Nigeria. Demand for CPO in the traditional market continues to grow as a result of increasing population and industrial demand.

Palm oil production remains a major vocation in many communities involving hundreds of thousands of poor producers and tens of thousands of poor processors. It provides income for many farmers and their dependents. An efficient and strong palm oil sector in Nigeria therefore will enable the poor to be part of the solution to poverty challenge through provision of employment and a means of livelihood.

On the other hand however, the demand for industrial use of palm oil in Nigeria is also increasing, thus leading to large integrated mills increasing their processing capacities. Based on this expansion by large integrated mills, opportunities could be created for supplies of ffb from smallholders to these mills provided the associated constraints such as unorganized nature of smallholders, unfavorable pricing and payment mechanisms are effectively addressed. In addition, some large integrated mills in Nigeria such as Presco Plc, Okomu Oil Plc and PZ Wilmar have begun to be committed to the RSPO certification process and it will be expected that their suppliers would also be RSPO compliant.

Presco Plc (a member of RSPO) initiated RSPO in Nigeria in 2009 and gathered other members of the Plantation Owners Forum of Nigeria (POFON) to embrace it. Subsequently, Okomu Oil Palm Company Plc supported and complemented Presco Plc in the RSPO drive in Nigeria.

Various sensitization and mobilization efforts were made to mobilize stakeholders in support of RSPO in Nigeria. These activities include; Presentation of RSPO to the Media in October, 2010, Presentation of RSPO to the Federal Ministries of Trade & Investment and Federal Ministry of Agriculture in Abuja in 2011, Presentation of RSPO to the Manufacturers' Association of Nigeria (MAN) in December 2011, Fund raising dinner for RSPO Nigeria in 2012 and RSPO Roadshow in September, 2013. Fifty (50) Stakeholders including the

Planters/Millers, Processors, Manufacturers, Government MDAs, NGOs, Banks, Environmentalists and Media have signed the Statement of Intent to participate in RSPO in Nigeria.

In April 2014, the Nigeria National Interpretation Working Group (NNIWG) was constituted with self-selected representatives from the Producers (including smallholders), Supply chain actors and investors, Environmental interests and Social interests categories. Each member also signed on to a Code of Conduct.

The following sub-group/task-forces were constituted;

1. **Commitment and Compliance Sub –Group;** the task force worked on P&C 1, 2 and 3 consisting of Commitment to transparency, Compliance with applicable laws and regulations and Commitment to long-term economic and financial viability respectively.
2. **Best Management Practices and New Planting Sub-Group;** The task force worked on P&C 4, 7 and 8 consisting of Use of appropriate best practices by growers and millers of activities, Responsible development of new plantings and Commitment to continuous improvement in key areas respectively.
3. **Environment and Natural Resources Sub Group;** The task force worked on P&C 5 on environmental responsibility and conservation of natural resources and biodiversity.
4. **Labour and Social Sub-Group;** The task force worked on P&C 6 on responsible consideration of employees, and of individuals and communities affected by growers and mills.

After about one and a half years of work, the different sub groups have identified, discussed and validated the national RSPO indicators. A national consultative meeting was held in January 2016 to harness inputs from within and outside the RSPO multi stakeholder platform on the draft national indicators. All relevant stakeholders along the palm oil supply chain consequently ratified the national indicators at this meeting. The national indicators were subsequently field tested at Presco Plc and Okomu Plc in February 2016 and observations made were used to finalize the national indicators.

According to the guidelines and procedures of the RSPO, a public consultation for a minimum period of 60 days is required to enable the national public, regional and international to bear judgments, observations and comments on these national indicators. The members of the RSPO in Nigeria therefore call on the public for inputs on this work in order to decide freely and impartially on the relevance of these indicators.

**Contact details for stakeholders to address comments on NI:**

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## Nigeria National Interpretation Working Group (NNIWG)

### Glossary

a.i.	Active Ingredient
ASEAN	The Association of Southeast Asian Nations
BOD	Biological Oxygen Demand
CBD	Convention on Biodiversity
CPO	Crude Palm Oil
CRS	Community Relations Strategy
EFB	Empty Fruit Bunches
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
EMS	Environmental Management System
EPA	Environmental Protection Agency
FFB	Fresh Fruit Bunches
GAP	Good Agricultural Practices
GHG	Green House Gas
GNIWG	Ghana National Interpretation Working Group
HCV	High Conservation Value
ILO	International Labour Organisation
IPM	Integrated Pest Management
ISO	International Standard Organisation
IUCN	International Union for Conservation of Nature and Natural Resources
JJC	Joint Consultative Committee
kW	Kilo Watt
LD 50	Lethal Dose 50
LTA	Lost Time Accident
MSDS	Material Safety Data Sheets
NGO	Non-Government Organisation
OER	Oil Extraction Rate
OSH	Occupational Health & Safety
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PER	Preliminary Environmental Report
P&C	Principles & Criteria
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social and Environmental Impact Assessment
SOP	Standard Operating Procedure

#### Smallholder definition in Nigeria

Smallholders in Nigeria are farmers growing oil palm, sometimes along with subsistence production of other crops, where the family provides the majority of labour and the farm provides the principal source of income and where the planted area of oil palm is usually below 10 hectares in size.

Principle 1: Commitment to transparency

NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
1.1	<p>Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.</p>	<p><u>Indicator 1.1.1:</u></p> <ul style="list-style-type: none"> <li>• There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.</li> </ul> <p>⇒ MINOR.</p> <p><u>Indicator 1.1.2.</u></p> <ul style="list-style-type: none"> <li>• Records of requests for information and responses shall be maintained</li> </ul> <p>⇒ MAJOR</p> <p>Specific guidance: For 1.1.1 Evidence should be provided that information is received in appropriate form(s) and language(s) by relevant stakeholders. This should include information on the RSPO mechanisms for stakeholder involvement, including information on their rights and responsibilities.</p> <p>Guidance: Growers and millers should have a Standard Operating Procedure (SOP) to respond constructively to stakeholders, including a specific timeframe to respond to requests for information. Growers and millers should ensure that sufficient objective evidence exists to demonstrate that the response is timely and appropriate.</p> <p>See criterion 1.2 for requirements relating to publicly available documentation.</p> <p>See also criterion 6.2 relating to consultation.</p> <p>See criterion 4.1 on SOPs.</p> <p>Scheme SH guidance:</p>
6   Page		Scheme managers must ensure that participant smallholders are provided copies of:

		<ul style="list-style-type: none"> <li>- Contracts between scheme managers and smallholders (criterion 1.2);</li> <li>- Up-to-date records of debts and repayments, charges and fees (criterion 6.10).</li> </ul> <p>=&gt; For outgrower schemes, the individual farmer must prove that he/she is entitled to the land before he/she can join the scheme. The scheme manager has copies of proof of ownership/smallholder’s user rights.</p> <p>=&gt; For smallholder schemes, the scheme manager has a copy of the land title covering the concession available for smallholders.</p> <p>Scheme manager must ensure that copies of following documents are available at vantage points (e.g. through association representatives, in office of extension staff):</p> <ul style="list-style-type: none"> <li>- Training materials in IPM and safe use of agro-chemicals (criterion 4.6);</li> <li>- Occupational Health and safety plan (criterion 4.7);</li> <li>- Plans and impact assessments relating to environmental and social impacts (criteria 5.1, 6.1, 7.1, 7.8)</li> <li>- HCV documentation (Criteria 5.2 and 7.3)</li> <li>- Pollution prevention and reduction plans (criterion 5.6);</li> <li>- Details of complaints and grievances (criterion 6.3);</li> <li>- Negotiation procedures (criterion 6.4);</li> <li>- Continual improvement plan (criterion 8.1).</li> <li>- Public summary of certification assessment report (where applicable)</li> <li>- Human Rights Policy</li> </ul> <p>Brief summaries of the documents mentioned above can be made available to all participant smallholders.</p> <p>Independent SH guidance:</p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
1.2	Management documents are publicly available, except where this is prevented by commercial	<p><u>Indicator 1.2.1:</u></p> <ul style="list-style-type: none"> <li>• Publicly available documents shall include, but are not necessarily limited to:</li> <li>• Land titles/user rights (criterion 2.2).</li> </ul>

	<p>confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>	<ul style="list-style-type: none"> <li>• Occupational Health and safety plans (criterion 4.7).</li> <li>• Plans and impact assessments relating to environmental and social impacts (criteria 5.1, 6.1, 7.1, 7.8).</li> <li>• HCV documentation (Criteria 5.2 and 7.3)</li> <li>• Pollution prevention and reduction plans (criterion 5.6).</li> <li>• Details of complaints and grievances (criterion 6.3).</li> <li>• Negotiation procedures (criterion 6.4).</li> <li>• Continual improvement plans (criterion 8.1).</li> <li>• Public summary of certification assessment report</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> <p>⇒ MAJOR</p> <p>Guidance:  Growers and Millers should make management documents relating to environmental, social and legal issues that are relevant to compliance with RSPO Criteria publicly available. These documents should include, but are not necessarily limited to the following;</p> <ul style="list-style-type: none"> <li>• Land titles/user rights</li> <li>• Occupational Health and safety plans</li> <li>• Environmental and Social Impact Assessment reports and plans</li> <li>• HCV documentation</li> <li>• Pollution prevention and reduction plans</li> <li>• Complaints and Grievances procedures</li> <li>• Negotiation Procedures</li> <li>• Continual Improvement Plans</li> <li>• Public summary of certification assessment report(if applicable)</li> <li>• Human Rights Policy</li> <li>• Monitoring reports</li> </ul> <p>Where information disclosure could result in potential negative environmental and social outcomes, such information should be treated confidential</p> <p>Scheme SH guidance:</p>
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		<p>Scheme managers have shared and explained management plans to smallholders and/or their cooperatives, including documents summarising complaints and grievance procedures and land acquisition processes. Smallholders have contracts from the scheme managers.</p> <p>Independent SH guidance:</p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
<p><b>1.3</b></p>	<p>Growers and Millers commit to ethical conduct in all business operations and transactions</p>	<p><u>Indicator 1.3.1:</u></p> <ul style="list-style-type: none"> <li>• 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</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u>  Growers and Millers should have Code of Ethics for their business operations including contracted third parties. The Code of Ethics should include as a minimum;</p> <ul style="list-style-type: none"> <li>• A respect for fair conduct of business;</li> <li>• A prohibition of all forms of corruption, bribery and fraudulent use of funds and resources;</li> <li>• Social/cultural norms is taking into consideration when interaction is to be initiated so as not to disrespect their cultural norms</li> <li>• A proper disclosure of information in accordance with applicable regulations and accepted industry practices</li> </ul> <p>The Code of Ethics should be set within the framework of the UN Convention Against Corruption, in particular Article 12</p> <p><u>Scheme Smallholders and Outgrowers:</u>  Group Managers should develop simplified Code of Ethics for their smallholder Schemes taking into consideration the UN Convention Against Corruption, in particular Article 12</p>

		<p><u>Independent smallholders:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
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Principle 2: Compliance with applicable laws and regulations

NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
2.1	There is compliance with all applicable local, national and ratified international laws and regulations	<p><u>Indicator 2.1.1:</u></p> <ul style="list-style-type: none"> <li>• Evidence of compliance with relevant legal requirements shall be available.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 2.1.2:</u></p> <ul style="list-style-type: none"> <li>• A documented system, which includes written information on legal requirements, shall be maintained.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 2.1.3:</u></p> <ul style="list-style-type: none"> <li>• A mechanism for ensuring compliance shall be implemented.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 2.1.4:</u></p> <ul style="list-style-type: none"> <li>• A system for tracking changes in the law shall be implemented.</li> </ul> <p>⇒ MINOR</p> <p><b>Guidance:</b> Implementing all legal requirements is an essential baseline requirement for all growers whatever their location or size.</p> <p>Relevant legislation includes, but is not limited to, regulations governing land tenure and land-use rights, labour, agricultural practices (e.g. chemical use), environment (e.g. wildlife laws, pollution, environmental management and forestry laws), storage, transportation and processing practices. Relevant laws in Nigeria are listed under Annex 3. This Criterion also includes laws made pursuant to a country's obligations under international laws or conventions (e.g. the Convention on Biodiversity, CBD, ILO core Conventions, UN Guiding Principles on Business and Human Rights). (See Annex 2 for Key International Laws and Conventions)</p>

		<p>Growers and Millers should put in place a system to track changes in the relevant laws and conventions.</p> <p>The system used to ensure compliance to legal requirements should be appropriate to the scale of the organization and should include the following:</p> <ol style="list-style-type: none"> <li>(1) List of all applicable laws including international laws and conventions ratified by the Nigerian government.</li> <li>(2) Display applicable licenses and permits including their conditions.</li> <li>(3) Identify person(s) responsible to monitor compliance to both (1) and (2).</li> </ol> <p>Scheme SH guidance: Scheme managers must ensure that their organized smallholders are aware of and comply with relevant laws and conventions. This can be done through sensitization and or provision of the required laws and conventions.</p> <p>Independent SH guidance: <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
<p><b>2.2</b></p>	<p>The right to use the land can be demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>	<p><u>Indicator 2.2.1:</u></p> <ul style="list-style-type: none"> <li>• Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 2.2.2:</u></p> <ul style="list-style-type: none"> <li>• Legal boundaries shall be clearly demarcated and visibly maintained.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 2.2.3:</u></p> <ul style="list-style-type: none"> <li>• Where there are, or have been disputes, additional proof of legal acquisition of title//user rights and evidence that fair compensation has been made to previous owners and</li> </ul>

		<p>occupants shall be available , and that these have been accepted with free, prior and informed consent (FPIC)</p> <p>⇒ MINOR</p> <p><u>Indicator 2.2.4:</u></p> <ul style="list-style-type: none"> <li>• 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.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 2.2.5:</u></p> <ul style="list-style-type: none"> <li>• 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 where applicable).</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 2.2.6:</u></p> <ul style="list-style-type: none"> <li>• Palm oil operations shall not be conducted in a manner that engender violence in the current and planned operational area</li> </ul> <p>⇒ MAJOR</p> <p>Guidance:  Growers and Millers should have documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. Acceptable documents include land titles, lease agreements, declarations endorsed by relevant government agencies and or traditional authorities. Legal boundaries should be clearly demarcated and plantation operations should cease on land planted beyond the legal boundary.</p> <p>For any conflict or dispute over the land, the extent of the disputed area should be mapped out in a participatory way. Where there is a conflict on the condition of land use as per land title,</p>
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		<p>growers should show evidence that necessary action has been taken to resolve the conflict with relevant parties. A mechanism should be in place to resolve any conflict (criteria 6.3 and 6.4). To avoid escalation of conflict, Company policy should prohibit the use of dogs, mercenaries and para-militaries in their operations. Company policy should also prohibit extra-judicial intimidation and harassment by contracted security forces (6.13). Where all negotiations have failed and lives and properties are endangered, all legal means can be applied to protect lives and properties. Plans for avoidance or mitigation of negative impacts and promotion of positive ones shall be developed in consultation with affected parties and documented.</p> <p>Scheme SH guidance: Scheme managers should ensure that land allocations for scheme smallholders are not claimed or contested by third parties with legitimate claims.</p> <p>Independent SH guidance: <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
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><u>Indicator 2.3.1:</u></p> <ul style="list-style-type: none"> <li>• Maps of an appropriate scale showing the extent of recognized legal, 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).</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 2.3.2:</u></p> <ul style="list-style-type: none"> <li>• Copies of negotiated agreements detailing process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: <ul style="list-style-type: none"> <li>○ 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;</li> <li>○ 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;</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ 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.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 2.3.3:</u></p> <ul style="list-style-type: none"> <li>● All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 2.3.4:</u></p> <ul style="list-style-type: none"> <li>● Evidence shall be available to show that communities are represented through institutions or representatives of their choice, including legal counsels.</li> </ul> <p>⇒ MAJOR</p> <p>Specific Guidance: For 2.3.4: Evidence should be available from the companies, communities or other relevant stakeholders;</p> <p>Guidance: All indicators apply to current operations, but there are exceptions for long-established plantations which may not have records dating back to the time of the decision making, in particular for compliance with indicators 2.3.1 and 2.3.2</p> <p>Where there are legal or customary rights over land, the grower should demonstrate that these rights have been identified, understood and are not being threatened or reduced. This criterion should be considered in conjunction with criteria 6.4, 7.5 and 7.6. Where customary rights areas are unclear these should be established through participatory mapping involving the affected parties (including neighbouring communities and local authorities).</p>
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	<p>This criterion allows for sales and negotiated agreements to compensate other users for lost benefits and/or relinquished rights. Negotiated agreements should be non-coercive and entered into voluntarily, carried out prior to new investments or operations and based on an open sharing of all relevant information in appropriate forms and languages, including assessments of impacts, proposed benefit sharing and legal arrangements.</p> <p>Communities must be permitted to seek legal counsel if they so choose. Evidence should be available that communities and other relevant stakeholders have been adequately represented through institutions or representatives of their choice.</p> <p>Adequate time must be given for customary decision-making and iterative negotiations allowed for, where requested. Negotiated agreements should be binding on all parties and enforceable in the courts. Establishing certainty in land negotiations is of long-term benefit for all parties.</p> <p>Companies should be especially careful where they are offered lands acquired from the State by its invoking the national interest.</p> <p>Scheme SH guidance: Scheme managers can show that lands acquired for smallholders do not diminish legal or customary rights. Where others' customary or legally owned lands have been taken-over there is documentary proof of transfer of rights (e.g. sale) and of payment or provision of agreed compensation.</p> <p>Independent SH guidance: <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>



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

NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
3.1	<p>There is an implemented management plan that aims to achieve long-term economic and financial viability.</p>	<p><u>Indicator 3.1.1:</u></p> <ul style="list-style-type: none"> <li>• A business or management plan (minimum 3 years) shall be documented to include a business case for scheme smallholders where appropriate.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 3.1.2:</u></p> <ul style="list-style-type: none"> <li>• An annual replanting programme projected for a minimum of 5 years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</li> </ul> <p>⇒ MINOR</p> <p>Guidance:                      Growers and Millers should have a documented business or management plan and where appropriate, the business case for scheme smallholders. The plan should contain:</p> <ul style="list-style-type: none"> <li>• Attention to quality of planting materials.</li> <li>• Crop projection = FFB yield trends.</li> <li>• Mill extraction rates = OER trends.</li> <li>• Cost of Production = cost per tonne of CPO trends.</li> <li>• Forecast prices;</li> <li>• Financial indicators.</li> <li>• Suggested calculation: trends in 3-year running mean over the last decade (FFB trends may need to allow for low yield during major replanting programmes).</li> </ul> <p>Growers should also have documented 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.</p> <p>Scheme SH guidance:                      Scheme managers have a documented management plan for scheme smallholders (minimum 3</p>

		<p>years); the plan is shared with them in appropriate languages. The scheme management will be expected to provide their members with information on significant improvements.</p> <p>Independent SH guidance: <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>

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

NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
4.1	<p>Operating procedures are appropriately documented and consistently implemented and monitored.</p>	<p><u>Indicator 4.1.1:</u></p> <ul style="list-style-type: none"> <li>• A documented Standard Operating Procedures (SOPs) for estates and mills</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.1.2:</u></p> <ul style="list-style-type: none"> <li>• A mechanism to check consistent implementation of procedures shall be in place.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.1.3:</u></p> <ul style="list-style-type: none"> <li>• Records of monitoring and the actions taken are maintained.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.1.4:</u></p> <ul style="list-style-type: none"> <li>• Records of origins of all the different sources including third party sourced Fresh Fruit Bunches (FFB) shall be kept</li> </ul> <p>⇒ MAJOR</p> <p><i>Specific Guidance</i>  <i>For 4.1.1 and 4.1.4 SOP and document for mills should include relevant supply chain requirements (See RSPO Supply Chain Certification Standard, Nov 2011)</i></p> <p><i>Guidance:</i>                      Estates and mills should have documented Standard Operating Procedures (SOPs) for best management practices. The SOPs should include the relevant supply chain requirements (see RSPO Supply Chain Certification Standard) and the origins of all third-party sourced Fresh Fruit Bunches (FFB)</p>

		<p>Proof of implementation and checks to control compliance with procedures should be seen on site.</p> <p>Scheme SH guidance: Scheme managers should develop Standard Operating Procedures for smallholder schemes and also provide training in best management practices aimed at increasing yields. Scheme managers should ensure that smallholders can show evidence of compliance</p> <p>Independent SH guidance: <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
<p><b>4.2</b></p>	<p>Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>	<p><u>Indicator 4.2.1:</u></p> <ul style="list-style-type: none"> <li>• Evidence that good agricultural practices, as contained in the Standard Operating Procedures (SOPs) are followed to manage soil fertility to a level that ensures sustained yield improvement.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.2.2:</u></p> <ul style="list-style-type: none"> <li>• Records of fertilizer inputs and application are maintained.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.2.3:</u></p> <ul style="list-style-type: none"> <li>• Evidence of periodic tissue and soil sampling to monitor changes in nutrient status.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.2.4:</u></p> <ul style="list-style-type: none"> <li>• A nutrient recycling strategy should be in place and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill effluent (POME), and or solids, and palm residues after replanting.</li> </ul> <p>⇒ MINOR</p>

		<p>Guidance: Long-term fertility depends on maintaining the structure, organic matter content, nutrient status and microbiological health of the soil. Nutrient efficiency must take account of the age of plantations and soil conditions.</p> <p>Managers should ensure that best management practices are followed. Growing of cover crops, fronds stacking, use of EFB, POME and palm residues to improve soil fertility are highly recommended.</p> <p>It is advised that leaf sampling is done annually and soil sampling at least every 5 years.</p> <p>Scheme SH guidance: Scheme managers should ensure that scheme smallholders receive training in best management practices aimed at improving soil fertility. Records of such trainings are kept.</p> <p>Independent SH guidance: Group managers should ensure that scheme smallholders receive training in best management practices aimed at improving soil fertility. Records of such trainings should be kept and regular monitoring to ensure that such practices is done on the field. When fertilizer is used, records should be kept.</p> <p>The establishment of cover crops should be promoted.</p>
<p><b>4.3</b></p>	<p>Practices minimize and control erosion and degradation of soils.</p>	<p><u>Indicator 4.3.1:</u></p> <ul style="list-style-type: none"> <li>• Maps of fragile soils shall be available (where applicable).</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.3.2:</u></p> <ul style="list-style-type: none"> <li>• A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific).</li> </ul> <p>Slopes between 0 and 16° are suitable for planting. A management strategy should exist for plantings on slopes between 17 and 30° (i.e. marginal soils). There shall be no planting on slopes above 30° (i.e. unsuitable soils) and where such slopes have been planted or replanted already there should be evidence of best management practices which prevent erosion and maintain the</p>

		<p>structure against landslide.</p> <p>⇒ MINOR</p> <p><u>Indicator 4.3.3:</u></p> <ul style="list-style-type: none"> <li>• There should be evidence of good road maintenance practices.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.3.4:</u></p> <ul style="list-style-type: none"> <li>• Subsidence of peat soils shall be minimized and monitored. A documented water and ground cover management programme shall be in place.</li> </ul> <p>=&gt; MAJOR</p> <p><u>Indicator 4.3.5:</u></p> <ul style="list-style-type: none"> <li>• Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.</li> </ul> <p>=&gt; MINOR</p> <p><u>Indicator 4.3.6:</u></p> <ul style="list-style-type: none"> <li>• A documented water and ground cover management programme shall be in place for other fragile and problem soils (e.g. sandy, low organic matter).</li> </ul> <p>MINOR</p> <p><u>Specific Guidance:</u>  For 4.3.4: For existing plantings on peat, the water table should be maintained at an average of 50cm (between 40-60cm) below ground surface measured with groundwater piezometer readings, or an average of 60cm (between 50 – 70cm) below ground surface as measured in water collection drains, through a network of appropriate water control structures e.g. weirs, sandbags, etc. in fields, and Watergates at the discharge points of main drains (Criteria 4.4 and 7.4).</p>
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		<p>For 4.3.5: Where drainability assessments have identified areas unsuitable for oil palm replanting, plans should be in place for appropriate rehabilitation or alternative use of such areas. If the assessment indicates high risk of serious flooding and/or salt water intrusion within two crop cycles, growers and planters should consider ceasing replanting and implementing rehabilitation</p> <p>Guidance: Plantations on peat should be managed at least to the standard set out in the “RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat”, June 2012 (especially water management, fire avoidance, fertilizer use, subsidence and vegetation cover)</p> <p>Growers should adopt best management practices to minimize and control soil erosion and degradation of soils. This may include practices such as ground cover management, biomass recycling, terracing, and natural regeneration or restoration instead of replanting.</p> <p>Amongst others the following should be taken into account upon constructing roads: wetlands, culverts, contours.</p> <p>Management strategy for fragile soils must include EFB application to improve soil structure.</p> <p>Scheme SH guidance: Scheme managers should ensure that land selected for smallholder schemes are suitable for oil palm cultivation. Scheme smallholders should be trained in best management practices aimed at minimizing and controlling erosion and degradation of soils. Records of such trainings must be kept.</p> <p>Independent SH guidance: <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
<p><b>4.4</b></p>	<p>Practices maintain the quality and availability of surface and ground water.</p>	<p>Indicator 4.4.1:</p> <ul style="list-style-type: none"> <li>• An implemented water management plan shall be in place.</li> </ul> <p>⇒ MINOR</p>

		<p>Indicator 4.4.2:</p> <ul style="list-style-type: none"> <li>• Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones as per WRC guidelines.</li> </ul> <p>⇒ MAJOR</p> <p>Indicator 4.4.3:</p> <ul style="list-style-type: none"> <li>• Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations.</li> </ul> <p>⇒ MINOR</p> <p>Indicator 4.4.4:</p> <ul style="list-style-type: none"> <li>• Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.</li> </ul> <p>⇒ MINOR</p> <p>Guidance:  Growers and millers should have documented water management plan to address the effects of their operations on local water resources. The Water Management Plan should consider the following;</p> <ul style="list-style-type: none"> <li>- The efficiency of water usage and renewability of sources.</li> <li>- Ensure that the use and management of water by mill operations does not result in adverse impacts on other users within the catchment area, including local communities and customary water users</li> <li>- Growers and millers should mitigate any residual impact of their operations on water bodies from which the communities derive their livelihoods. Mitigation measures may include the provision of alternative sources of water for affected communities.</li> <li>- Avoid contamination of surface and ground water through run-off of soil, nutrients or chemicals, or as a result of inappropriate disposal of waste including POME.</li> </ul> <p>Milners must regularly monitor effluent parameters and inform the regulatory bodies of the results</p>
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	<p>of such monitoring to meet national standards or to be granted with the necessary discharge outfall permit. Permit conditions shall be case by case basis, dictated by national regulatory bodies. Deliverance of Discharge outfall permit shall be proof of efficient good practices concerning effluent monitoring.</p> <p>Water bodies and wetland should be preserved. A buffer zone should be considered depending on the size of the water body and the richness of the biodiversity contained in such water body. Millers and growers will demonstrate efforts to maintain water bodies and acceptable buffer zones where needed.</p> <p>Implementation of the National Buffer Zone Policy – the recommendations on the buffer which are: Refer to the NATIONAL ENVIRONMENTAL STANDARDS AND REGULATION ENFORCEMENT AGENCY (NESREA) ACT 2007+ national environmental protection (management of solid and hazardous wastes) S1.15 of 1991 under section 37 + national environmental protection (effluent limitation) regulations, S1.8 of 1991 under section 40</p> <ol style="list-style-type: none"> <li>1. Minor perennial streams: 10 to 15 meters;</li> <li>2. Important intermittent streams: 10 to 20 meters;</li> <li>3. Stream within forest reserves: 10 to 50 meters.</li> <li>4. Wetland will require a buffer zone of 30 meters around the perimeter as defined from the high water elevation.</li> </ol> <p>Note: The slope affects the buffer zone: slope of 15-20 %, add 3 meters; slope of 20-25 %, add 10 meters, and slope of 25-30 %, add 20 meters</p> <p>Scheme SH guidance: Scheme managers should ensure that smallholder activities do not affect the quality and availability of water bodies in the catchment area. They must also ensure that smallholders are trained in ground water management and creation of buffer and riparian zones <i>and efficient water management practices</i>.</p> <p>Independent SH guidance: . <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
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<p><b>4.5</b></p>	<p>Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</p>	<p>Indicator 4.5.1:</p> <ul style="list-style-type: none"> <li>• Implementation of IPM plans shall be monitored.</li> </ul> <p>⇒ MAJOR</p> <p>Indicator 4.5.2:</p> <ul style="list-style-type: none"> <li>• Up-to-date IPM related training records of those involved in IPM implementation shall be available.</li> </ul> <p>⇒ MINOR</p> <p>Guidance: Growers should apply recognized IPM techniques, incorporating cultural, biological, mechanical or physical methods to minimize use of chemicals.</p> <p>The use of Native species for biological control should be promoted wherever possible.</p> <p>Scheme SH guidance: Scheme managers should provide regular training to scheme smallholders in IPM techniques (incorporating cultural, biological, mechanical or physical methods) to minimise use of chemicals and provide appropriate assistance for application of agro-chemicals. Scheme managers should manage implementation of best practices.</p> <p>Independent SH guidance: <i>. Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
<p><b>4.6</b></p>	<p>Pesticides are used in ways that do not endanger health or the environment.</p>	<p><u>Indicator 4.6.1:</u></p> <ul style="list-style-type: none"> <li>• Only pesticides registered by the NAFDAC are used. Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or diseases and which have minimal effect on non-target species shall be used where available.</li> </ul>

		<p>⇒ MAJOR</p> <p><u>Indicator 4.6.2:</u></p> <ul style="list-style-type: none"> <li>Records of pesticides use (including active ingredients used and their LD50, area treated, amount applied per ha and number of applications) shall be kept.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.6.3:</u></p> <ul style="list-style-type: none"> <li>Any use of pesticides shall be in accordance with Integrated Pest Management (IPM) plan. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines (where necessary).</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.6.4:</u></p> <ul style="list-style-type: none"> <li>Documentary evidence that use of chemicals categorized as World Health Organisation type 1A or 1B, or listed by the Stockholm or Rotterdam Conventions, and paraquat, is progressively eliminated by identifying alternatives. There shall be documentary record of this process. The use of such pesticides shall be minimized and eliminated as part of a plan, and shall only be used in exceptional circumstances.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.6.5:</u></p> <ul style="list-style-type: none"> <li>Pesticides shall only be handled, used or applied by qualified persons who have received the necessary training and should always be applied in accordance with the product label. Appropriate safety equipment must be provided and used. All precautions attached to the products should be properly observed, applied, and understood by workers. Also see criterion 4.7 on health and safety.</li> </ul> <p>⇒ MAJOR</p>
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		<p><u>Indicator 4.6.6</u></p> <ul style="list-style-type: none"> <li>Storage of all pesticides shall be according to recognized best practices. All pesticides containers must be properly disposed of and not used for other purposes (see criterion 5.3).</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.6.7:</u></p> <ul style="list-style-type: none"> <li>Application of pesticides shall be by proven methods that minimize risk and impacts</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.6.8:</u></p> <ul style="list-style-type: none"> <li>Pesticides shall be applied aerially only where there is a documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.6.9:</u></p> <ul style="list-style-type: none"> <li>Employees and associated smallholder should demonstrate awareness and skills on pesticide handling. Appropriate information materials shall be provided (see Criterion 4.8)</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.6.10:</u></p> <ul style="list-style-type: none"> <li>Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3).</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.6.11:</u></p> <ul style="list-style-type: none"> <li>Specific annual medical surveillance for pesticide operators and documented action to</li> </ul>
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		<p>treat related health conditions shall be demonstrated.</p> <p>⇒ MAJOR</p> <p><u>Indicator 4.6.12:</u></p> <ul style="list-style-type: none"> <li>• No work with pesticides for pregnant and breast-feeding women</li> </ul> <p>⇒ MAJOR</p> <p><u>Guidance:</u>  Growers should apply measures to avoid the development of resistance such as pesticide rotations. Any use of pesticides should be justified. (Refer to Integrated Management Strategies for Oil Palm, CABI, April, 2011). Pesticides usage should be according to the IPM plan. Storage of pesticides should follow best practice guidelines as prescribed in the FAO International Code of Conduct on the distribution and use of pesticides.</p> <p>Pesticides that are categorized as WHO Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, should not be used except in specific situations allowed by the national best practice guidelines or where these pesticides are the only available means of control and that the dosage rate does not exceed the LD50 limit. This must be proven.</p> <p>Records of pesticides use including active ingredients, their LD50, area treated, quantity used per ha and number of applications should be kept.</p> <p>Major producers should inform the NAFDAC and the Federal Ministry of Environment when in possession of obsolete chemicals.</p> <p>To import chemicals the scheme managers must obtain NAFDAC permit.</p> <p>Material Safety Data Sheets (MSDS ) of all chemicals used, need to be available on site</p> <p>Scheme SH guidance:  Scheme managers should ensure that only approved and recommended chemicals are used by scheme smallholders. Records of pesticides applications should be kept. Scheme smallholders</p>
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		<p>must be trained in Safe Use and Handling of Pesticides and Disposal of Empty Pesticide Containers.</p> <p>Chemicals should only be applied in accordance with product label.</p> <ul style="list-style-type: none"> <li>- Appropriate safety equipment should be acquired and used (or provided by nucleus estates).</li> <li>- All precautions attached to the products should be properly observed, applied and understood.</li> <li>- Chemicals should be securely and safely stored. All chemical containers must be properly disposed off and not use for other purposes (and see criterion 5.3).</li> <li>- Pesticides should be applied by proven methods that minimise risk and impacts.</li> <li>- Proper disposal of waste material, according to procedures that are fully understood by workers and managers. (Also see criterion 5.3 on waste disposal).</li> <li>- The pesticide register of the NAFDAC/Federal Ministry of Environment should be made available to the farmers (e.g. by posting it at the collection centres).</li> </ul> <p>Scheme manager's records will also show:</p> <ul style="list-style-type: none"> <li>- Justification of all chemical use.</li> <li>- List of all agro-chemicals used.</li> <li>- Records of pesticides supplied to smallholders.</li> <li>- Documentary evidence that use of chemicals categorised as World Health Organisation Type IA or IB, or listed in the Stockholm or Rotterdam Conventions, and paraquat is eliminated</li> <li>- <i>Evidence of CPO residue testing, as required by the supply chain.</i></li> <li>- Annual health screening for all smallholders using or handling agrochemicals categorised as World Health Organisation Type IA or IB, or listed in the Stockholm or Rotterdam Conventions, and paraquat.</li> <li>- There should be no chemical spraying by pregnant women or children, and children should not have access to the field during spraying activities.</li> </ul> <p>Scheme managers should inform the Federal Ministry of Environment when in possession of obsolete chemicals.</p> <p>To import chemicals the scheme managers must obtain NAFDAC permit.</p> <p>Material Safety Data Sheets (MSDS) of all chemicals used, need to be available on site.</p>
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		<p>Independent SH guidance:</p> <p>. Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</p>
<p><b>4.7</b></p>	<p>An occupational health and safety plan is documented, effectively communicated and implemented.</p>	<p><u>Indicator 4.7.1:</u></p> <ul style="list-style-type: none"> <li>• A health and safety policy, which is implemented and monitored, shall be in place.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.7.2:</u></p> <ul style="list-style-type: none"> <li>• 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 properly observed and applied to the workers.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.7.3:</u></p> <ul style="list-style-type: none"> <li>• All workers involved in the operations shall be adequately trained in safe working practices (see also 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.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.7.4:</u></p> <ul style="list-style-type: none"> <li>• The responsible person/persons for Occupational Health and Safety 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 these meetings, and issue raised shall be recorded.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.7.5:</u></p>

		<ul style="list-style-type: none"> <li>• 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.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.7.6:</u></p> <ul style="list-style-type: none"> <li>• All workers shall be covered with medical care (i.e. the National Health Insurance Scheme or any other suitable scheme), and covered by group accident insurance</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 4.7.7:</u></p> <ul style="list-style-type: none"> <li>• Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u>  Growers and millers should ensure that the workplaces, machinery, equipment, transport and processes under their control are safe and without undue risk to health.  Growers and millers should ensure that the chemical, physical and biological substances and agents under their control are without undue risk to health when appropriate measures are taken.  A safe and healthy working environment should be provided for all workers, whether they are employees or contractors, and visitors.  The health and safety plan should also reflect guidance in ILO convention 184 and relevant policies (see Annex 2).</p> <p>Scheme SH guidance:  Scheme managers will conduct a risk assessment for their schemes and as an outcome develops a work related health and safety plan for scheme smallholders which is managed, implemented and monitored. There are records of regular meetings between the responsible person and</p>
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		<p>smallholders where concerns about health, safety and welfare are discussed. Accident/incident and emergency procedures should exist and instructions should be clearly explained to all scheme smallholders (and see criterion 4.8) and provided in written form to all scheme smallholders in appropriate languages. For example, booklets and posters can be used that are posted at the collection centres or that are distributed during extension meetings. Scheme managers should ensure that smallholders understand and implement health and safety procedures. The Health and Safety Plan must include at minimum issues such as HIV/AIDS, Malaria and Health &amp; Safety on the plantation/farms.</p> <p>Independent SH guidance:  <i>. Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
4.8	All staff, workers, smallholders and contract workers are appropriately trained.	<p><u>Indicator 4.8.1:</u></p> <ul style="list-style-type: none"> <li>• A documented training programme that includes regular assessment of training needs and covers all aspects of the RSPO Principles and Criteria shall be in place.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 4.8.2:</u></p> <ul style="list-style-type: none"> <li>• Records of training for employees are kept.</li> </ul> <p>⇒ MINOR</p> <p>Guidance:  Workers should be adequately trained on: the health and environmental risks of pesticides exposure; recognition of acute and long-term exposure symptoms, ways to minimize exposure to workers and their families; international and national instruments or regulations that protect workers' health.</p> <p>The training programme should include productivity and best management practice, and be appropriate to the scale of the organization.</p> <p>Contract workers should be selected for their ability to fulfil their jobs and responsibilities in accordance with documented procedures, and in compliance with the requirements of the RSPO</p>

		Principles, Criteria Indicators and Guidance.  Scheme SH guidance: <i>Scheme managers provide a formal training and awareness raising programme that includes regular assessment of training needs and documentation of the programme and records the training provided to each scheme smallholder. This training includes how to fulfill their tasks and responsibilities in accordance with documented procedures, and in compliance with the requirements of the RSPO principles, criteria and guidance for smallholders. Training and awareness raising may also be provided through extension services and through smallholders' organizations such as cooperatives or community institutions. Training methods must be effective utilizing adult education methods. Training should cover:</i> <ul style="list-style-type: none"> <li>• <i>The relevance of the RSPO standard</i></li> <li>• <i>Legal compliance (see 2.1)</i></li> <li>• <i>Operating procedures (see 4.1)</i></li> <li>• <i>Soil and water management (see 4.2 &amp; 4.4)</i></li> <li>• <i>Integrated Pest Management (see 4.5)</i></li> <li>• <i>Agrochemical use (see 4.6)</i></li> <li>• <i>Occupational Health and Safety (see 4.7)</i></li> <li>• <i>Use of fire and relevant regulations (see 5.5)</i></li> </ul>
		Independent SH guidance: <i>. Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i>
Principle 5: Environmental responsibility and conservation of natural resources and biodiversity		
NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
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	<u>Indicator 5.1.1:</u> <ul style="list-style-type: none"> <li>• Documented Environmental Impact Assessment Report (according to Environmental Assessment Regulations, No 86, 1992 of the Federal Ministry of Environment and revised editions).</li> </ul> ⇒ MAJOR

	<p>are made, implemented and monitored, to demonstrate continuous improvement.</p>	<p><u>Indicator 5.1.2:</u></p> <ul style="list-style-type: none"> <li>• 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 management plan. The management plan shall identify the responsible person/persons).</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 5.1.3:</u></p> <p>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 where there are operational changes that may have positive and negative environmental impacts</p> <p>⇒ MINOR</p> <p><u>Guidance:</u></p> <p>Growers and Millers should have documented Environmental Impact Assessment report which should cover the following activities, where they are undertaken, but not limited to:</p> <ul style="list-style-type: none"> <li>- Building new roads, processing mills or other infrastructure.</li> <li>- Putting in drainage or irrigation system.</li> <li>- Replanting or expansion of planting area.</li> <li>- Management of mill effluents (see criterion 4.4).</li> <li>- Clearing of remaining natural vegetation.</li> <li>- Management of pests and diseased palms by controlled burning (Criteria 5.5 and 7.7).- Buffer zones</li> </ul> <p>In addition to this, a comprehensive management plan to mitigate identified practices that require changes should be developed and a responsible person or persons identified. The management plan should incorporate a monitoring protocol, adaptive operational changes, which should be implemented to monitor the effectiveness of the mitigation measures. The plan should be reviewed as a minimum every three years to reflect the results of monitoring and where there</p>
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	<p>are operational changes that may have positive and negative environmental impacts.</p> <p>Impact assessment may be a non-restrictive format e.g. ISO 14001 EMS and/or EIA report incorporating elements spelt out in this criterion and raised through stakeholder consultation. Documented management action plans addressing issues raised from the above impact assessment, which is monitored annually.</p> <p>Environmental impacts should be identified on soil and water resources (see Criterion 4.3 and 4.4), air quality, greenhouse gases (Criterion 5.6), biodiversity and ecosystems, and people's amenity (see criterion 6.1) both on and off-site.</p> <p>Stakeholder consultation has a key role in identifying environmental impacts. The inclusion of consultation should result in improved processes to identify impacts and to develop any required mitigation measures.</p> <p>It is important that where activities, techniques or operations change over time, identifications of impacts, and any required mitigation, are updated as necessary.</p> <p>Every undertaking involving land clearing of more than 500 hectares in area for agricultural purposes or every undertaking involving the construction of crude palm oil or oil processing facilities, must be registered by the National Environmental Standards and Regulations Enforcement Agency of the Federal Ministry of Environment and must obtain an environmental permit or interim approval from the agency before commencement.</p> <p><u>Scheme SH guidance:</u>  Scheme managers must undertake and document an impact assessment, developed with the participation of smallholders, that includes all the scheme smallholdings and sets out appropriate management planning and operational procedures for each impact identified which requires changes in current practice. They have a timetable for the implementation of required actions, which are monitored to demonstrate continuous improvement. Impact assessments will include consideration of:</p> <ul style="list-style-type: none"> <li>- Buildings and maintenance of roads to service smallholdings and provide access to mills.</li> <li>- Implement drainage or irrigation systems.</li> <li>- Replanting or expansion of smallholders farms.</li> <li>- Clearing of remaining natural vegetation and the need to avoid the use of fire (see 5.5).</li> </ul>
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		<p><u>Independent SH guidance:</u></p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
5.2	<p>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><u>Indicator 5.2.1:</u></p> <ul style="list-style-type: none"> <li>• A documented HCV assessment report is available.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 5.2.2:</u></p> <ul style="list-style-type: none"> <li>• 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 a management plan.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 5.2.3:</u></p> <ul style="list-style-type: none"> <li>• A documented program in place to regularly educate workforce about the status of RTE species and the appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, tamper with or kill these species</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 5.2.4:</u></p> <ul style="list-style-type: none"> <li>• Documented and reported evidence of monitoring and updating the status of HCVs and RTE species affected by plantation or mill operations.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 5.2.5:</u></p> <ul style="list-style-type: none"> <li>• Evidence of a negotiated agreement that safeguards both HCVs and rights of local communities where HCV set-asides with existing rights of local communities have been</li> </ul>

		<p>identified.</p> <p>⇒ MINOR</p> <p>Specific Guidance</p>
<p><i>For 5.1.2 This information will cover:</i></p>		
<ul style="list-style-type: none"> <li>• <i>Presence of protected areas that could be significantly affected by the grower or miller</i></li> <li>• <i>Conservation status (i.e. IUCN Status), legal protection, population status and habitat requirements of rare, threatened, or endangered (RTE) species that could be significantly affected by the grower or miller</i></li> <li>• <i>Identification of HCV habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower or miller.</i></li> </ul> <p><i>For 5.2.2 These measures will include;</i></p> <ul style="list-style-type: none"> <li>• <i>Ensuring that any legal requirements relating to the protection of the species or habitat are met;</i></li> <li>• <i>Avoiding damage to and deterioration of HCV areas are connected, corridors are conserved, and buffer zones around HCV areas are created;</i></li> <li>• <i>Controlling an illegal or inappropriate hunting, fishing or collecting activities, and developing responsible measures to resolve human-wildlife conflicts (e.g. incursions by elephants)</i></li> </ul> <p><i>For 5.2.5 If a negotiated agreement cannot be reached, there should be evidence of sustained efforts to achieve such an agreement. These could include third party arbitration (See Criteria 2.3, 6.3, 6.4)</i></p>		
<p><u>Guidance:</u>          Growers and Millers should conduct High Conservation Value (HCV) assessment to identify the presence and status of rare, threatened or endangered species that could be significantly affected by their operations. The HCV assessment should cover the presence of protected areas that could be significantly affected by the grower or miller, conservation status (e.g. IUCN status), legal protection, population status and habitat requirements of rare, threatened, or endangered species that could be significantly affected by operations and Identification of high conservation</p>		

		<p>value habitats, such as rare and threatened ecosystems, that could be significantly affected.</p> <p>This information gathering should include checking available biological records and consultation with relevant government departments, research institutes and interested NGOs if appropriate. Depending on the biodiversity values that are present, and the level of available information, some additional field survey work may be required.</p> <p>Where rare, threatened or endangered (RTE) species or HCVs are present or are affected by operations, a management plan to maintain or enhance these species should be developed. The management plan should include appropriate measures to;</p> <ul style="list-style-type: none"> <li>- ensure that any legal requirements relating to the protection of the species or habitat are met;</li> <li>- avoid damage to and deterioration of HCV habitats by ensuring that HCV areas are connected, corridors are conserved, and buffer zones around HCV areas are created;</li> <li>- control any illegal or inappropriate hunting, fishing or collecting activities and</li> <li>- develop responsible measures to resolve human-wildlife conflicts.</li> </ul> <p>Growers and millers should have a documented program to regularly educate the workforce about the status of the RTEs and the sanctions when workers are found to capture, kill, collect or harm these species.</p> <p>Where HCV set-asides with existing rights of local communities are identified, there shall be evidence of negotiated agreement to safeguard both HCVs and communities. If negotiated agreement cannot be reached, there should be evidence of sustained efforts to achieve such an agreement. These could include third party arbitration (see Criteria 2.3, 6.3 and 6.4)</p> <p><u>Scheme SH guidance:</u> Scheme managers should sensitize scheme smallholders about the HCV status in the catchment areas and measures to protect them as required by RSPO.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
5.3	Waste is reduced, recycled, re-used and disposed of in an	<p><u>Indicator 5.3.1:</u></p> <ul style="list-style-type: none"> <li>• All waste products and sources of pollution shall be identified and documented.</li> </ul>

	<p>environmentally and socially responsible manner.</p>	<p>⇒ MAJOR</p> <p><u>Indicator 5.3.2:</u></p> <ul style="list-style-type: none"> <li>• Evidence of responsible disposal of all chemicals and their containers.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 5.3.3:</u></p> <ul style="list-style-type: none"> <li>• A documented waste management plan to avoid or reduce pollution is in place</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u>  Growers and Millers should have waste management plan. The plan should include measures for:</p> <ul style="list-style-type: none"> <li>- Identifying and monitoring sources of waste and pollution.</li> <li>- Improving the efficiency of resource utilization and recycling potential wastes as nutrients or converting them into value-added products (e.g. through animal feeding programmes).</li> <li>- Appropriate management and disposal of hazardous chemicals and their containers. Surplus chemical containers should be disposed of or cleaned (e.g. washing of fertilizer bags for re-use) in an environmentally and socially responsible way (e.g. returned to the vendor such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer’s labels should be adhered to.</li> </ul> <p>Use of open fire for waste disposal should be avoided.  Untreated waste water should not be discharged directly to water bodies (See Criterion 4.4).</p> <p><u>Scheme SH guidance:</u></p> <p><i>Scheme managers must develop and implement a plan for the management and disposal of waste from smallholdings include the safe disposal of pesticide containers. This waste management and disposal plan should include measures for:</i></p> <ul style="list-style-type: none"> <li>• <i>Identifying and monitoring sources of waste and pollution from smallholdings and the mills which process their FFB.</i></li> <li>• <i>Improving the efficiency of resource utilization and recycling potential wastes as nutrients or</i></li> </ul>
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		<p><i>converting them into value-added products (e.g. through animal feeding programmes).</i></p> <ul style="list-style-type: none"> <li>• <i>Appropriate disposal of hazardous chemicals and their containers. Surplus chemical containers should be disposed of such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer’s labels should be adhered to.</i></li> </ul>
		<p><u>Independent SH guidance:</u>  <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
5.4	Efficiency of fossil fuel use and the use of renewable energy is optimized.	<p><u>Indicator 5.4.1:</u></p> <ul style="list-style-type: none"> <li>• A plan for improving efficiency of the use of fossil fuels and to optimize renewable energy shall be in place and monitored.</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u>  Growers and millers should assess the direct energy use of their operations, including fuel and electricity, and energy efficiency of their operations. This should include estimation of fuel use by on-site contract workers, including all transport and machinery operations.</p> <p>Renewable energy use per tonne of Crude Palm Oil (CPO) or palm product in the mill should be monitored. Direct fossil fuel use per tonne of CPO or FFB should also be monitored. Energy efficiency should be taken into account in the construction or upgrading of all operations.</p> <p>Records on energy generation and use are to be maintained.</p> <p>The feasibility of collecting and using biogas should be studied if possible.</p> <p><u>Scheme SH guidance:</u>  Scheme managers should develop provisions for improving the efficiency of energy use by scheme smallholders. This provision may not apply to scheme smallholders who only use manual labour to care for and harvest FFB.</p> <p><u>Independent SH guidance:</u>  <i>Where applicable, Group managers should use appropriate RSPO approved guidance document</i></p>

		<i>for independent smallholder certification</i>
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><u>Indicator 5.5.1:</u></p> <ul style="list-style-type: none"> <li>• There shall be no land preparation by burning, other than in specific situations as identified in the “Guidelines for the implementation of the ASEAN Policy on Zero Burning” 2003, or comparable guidelines in other region such as the National Environmental (Control of Bush/Forest Fire and Open Burning) Regulations, S. I. No. 15 of 2011. The principal thrust of these Regulations is to prevent and minimize the destruction of ecosystem through fire outbreak and burning of any material that may affect the health of the ecosystem through the emission of hazardous air pollutants.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 5.5.2:</u></p> <p>Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in “Guidelines for the implementation of the ASEAN Policy on Zero Burning” 2003, or comparable guidelines in other regions</p> <p>⇒ MINOR</p> <p><u>Guidance:</u></p> <p>Fire should be used only where an assessment has demonstrated that it is the most effective and least environmentally damaging option for minimizing the risk of severe pest and disease outbreaks, and with evidence that fire-use is carefully controlled.</p> <p><u>Scheme SH guidance:</u></p> <p>Scheme managers will carry out training and provide extension support to scheme smallholders to ensure smallholder awareness and that fire is not used except in accordance with ASEAN guidelines or other regional best practice (see criterion 4.8).</p> <p><u>Independent SH guidance:</u></p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>

5.6	<p><i>Preamble</i></p> <p>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>	<p><i>Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognised that it is not always feasible or practical to reduce or minimise these emissions.</i></p> <p><i>Growers and millers commit to an implementation period until the end of December, 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO</i></p> <p><u>Indicator 5.6.1:</u></p> <ul style="list-style-type: none"> <li>• An assessment of all polluting activities, including gaseous emissions, particulate/soot emissions and effluent (see also criterion 4.4) is conducted and documented.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 5.6.2:</u></p> <ul style="list-style-type: none"> <li>• Plans to reduce or minimize identified significant pollutants and greenhouse gas (GHG) emissions in place and implemented.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 5.6.3:</u></p> <ul style="list-style-type: none"> <li>• A monitoring system shall be in place with regular reporting on progress for the significant pollutants and emissions from estate and mill operations, using appropriate tools.</li> </ul> <p>⇒ MINOR</p> <p><u>Specific Guidance</u></p> <p><i>For 5.6.2 Plans will include objectives, targets and timelines. These should be responsive to</i></p>

		<p><i>context and any changes should be justified.</i></p> <p><i>For 5.6.2 and 5.6.3 The treatment methodology for POME will be recorded</i></p> <p><i>For 5.6.3 (GHG) For the implementation period till 31<sup>st</sup> December, 2016, the RSPO –endorsed modified version of the PalmGHG which only includes emissions from operations (including land use practises) can be used as a monitoring tool.</i></p> <p><i>In addition, during the implementation period, growers should start to assess, monitor and report emissions arising from changes in carbon stocks within their operations, using the land use in November 2005 as the baseline. The implementation period for indicator 5.6.3 is the same for Criterion 7.8.</i></p> <p><i>During the implementation period, reporting on GHG will be to a relevant RSPO Working Group (composed of all membership categories) which will use the information reported to review and fine tune the tools, emission factors and methodologies and provide additional guidance for the process. Public reporting is desirable, but remains voluntary until the end of the implementation period. During the implementation period, the RSPO Working Group will seek to continually improve PalmGH recognizing the challenges associated with measuring GHG and carbon stock. PalmGH or RSPO-endorsed equivalent will be used to assess, monitor and report GHG emissions. Parties seeking to use an alternative to PalmGH will have to demonstrate its equivalence to RSPO for endorsement.</i></p> <p><u>Guidance:</u>  Growers and Millers should have Environmental Management Plan (National Environmental (Food, Beverages and Tobacco Sector) Regulations, 2009. S. I. No. 33) to reduce pollution, including greenhouse gases. The plan should include objectives, targets and timelines.</p> <p>The treatment methodology for POME should be recorded.</p> <p>From the implementation period till 31<sup>st</sup> December, 2016, the RSPO –endorsed modified version of the PalmGHG which only includes emissions from operations (including land use practises) can be used as a monitoring tool. In addition, during the implementation period, growers should start to assess, monitor and report emissions arising from changes in carbon stocks within their operations, using the land use in November 2005 as the baseline. The implementation period for</p>
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	<p>indicator 5.6.3 is the same for Criterion 7.8. Reporting on GHG will be to a relevant RSPO Working Group which will use the information reported to review and fine tune the tools, emission factors and methodologies and provide additional guidance for the process. Public reporting remains voluntary until the end of the implementation period.</p> <p>Where practically feasible, operations should follow best management practices to measure and reduce emissions.</p> <p><u>Scheme SH guidance:</u> Scheme managers must include an assessment of all polluting activities of scheme smallholdings in their overall plans for pollution and emissions abatement. Significant pollutants and emissions from scheme smallholdings must be identified and plans to reduce them implemented. The assessment results and plans should be part of the impact assessment (criterion 5.1).</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
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Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.

NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
6.1	Aspects of planting and mill management, including replanting, that have social impacts are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.	<p><u>Indicator 6.1.1:</u></p> <ul style="list-style-type: none"> <li>• A documented social impact assessment including records of meetings.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.1.2:</u></p> <ul style="list-style-type: none"> <li>• Evidence that social impact assessment has been done with the participation of affected parties.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.1.3:</u></p> <ul style="list-style-type: none"> <li>• A documented implementation and monitoring work plan to avoid or mitigate. The plan should include the roles and responsibilities of all relevant parties. The plan should be agreed by all affected parties.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.1.4:</u></p> <ul style="list-style-type: none"> <li>• The implementation and monitoring work plan shall be reviewed and updated when necessary and must be agreed by affected parties.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.1.5:</u></p> <ul style="list-style-type: none"> <li>• Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</li> </ul> <p>⇒ MINOR</p>
46   Page		<b>Guidance</b>

	<p>Growers and Millers should carry out Social Impact Assessment to identify aspects of plantation and mill management that have social impacts (both positive and negative). The assessment should be participatory and should include all affected parties, including women and migrant workers. Participation in this context means that affected parties are able to express their views through their own representative institutions, or freely chosen spokespersons, during the identification of impacts, reviewing findings and plans for mitigation, and monitoring the success of implemented plans. The involvement of independent experts should be sought where this is considered necessary to ensure that all impacts (both positive and negative) are identified. Potential social impacts may result from activities such as: building new roads, processing mills or other infrastructure; expansion of planting area; disposal of mill effluents; clearing of remaining natural vegetation; changes in number of employees or terms of employment as well as smallholder schemes.</p> <p>Plantation and mill management may have social impacts (positive or negative) on factors such as;</p> <ul style="list-style-type: none"> <li>• Access and use rights;</li> <li>• Economic livelihoods (e.g. paid employment) and working conditions;</li> <li>• Subsistence activities;</li> <li>• Cultural and religious values;</li> <li>• Health and educational facilities;</li> <li>• Other community values, resulting from changes such as improved transport/communication or arrival of substantial migrant labour force</li> </ul> <p>The Social Impact Assessment done for new projects should be documented and records of meetings, stakeholder consultations, and list of names of affected parties that participated in the assessment should be kept. For existing projects, a documented system of interactions with the communities involved (impacts are identified by this system) is to be put into place. For new projects, there should be a documented implementation and monitoring work plan to avoid or mitigate impacts identified during the assessment. The work plan should include the roles and responsibilities of all relevant parties. The work plan should be prepared in collaboration with all affected parties and reviewed and updated when necessary. The review can be done internally or by external consultants. Particular attention should be given to impact of smallholder schemes (where the plantation includes such a scheme).</p> <p><u>Scheme SH Guidance</u></p>
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		<p>Growers and Millers with Smallholder schemes should demonstrate that the impact of the scheme has been covered by the SIA.</p> <p>Scheme managers should be able to demonstrate that scheme smallholders participated in the development of impact assessments for smallholder schemes. Scheme managers must provide:</p> <ul style="list-style-type: none"> <li>- A documented social impact assessment</li> <li>- Evidence that the assessment has been done with the participation of scheme smallholders. Participation in this context means that scheme smallholders are able to express their views through their own representative institutions during the identification of impacts, reviewing findings and plans for mitigation, and monitoring the success of implemented plans</li> <li>- A timetable with responsibilities for mitigation and monitoring, reviewed and updated as necessary, in those cases where the assessment has concluded that changes should be made to current practices,</li> <li>- The involvement of independent experts should be sought where this is considered necessary to ensure that all impacts (both positive and negative) are identified</li> </ul> <p><u>Independent SH Scheme</u>  <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
6.2	<p>There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>	<p><u>Indicator 6.2.1:</u></p> <ul style="list-style-type: none"> <li>• Consultation and communication procedures shall be documented. .</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.2.2:</u></p> <ul style="list-style-type: none"> <li>• A management official responsible for these issues shall be nominated.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.2.3:</u></p> <ul style="list-style-type: none"> <li>• Maintenance of a list of stakeholders, records of all communication and records of actions taken in response to input from stakeholders.</li> </ul> <p>⇒ MINOR</p>



		<p><u>Guidance:</u> Decisions, having an impact on affected parties, which the growers or mills are planning to make, should be made clear, so that local communities and other interested parties understand the purpose of the communication and/or consultation. Millers and growers should communicate through representatives freely elected by their communities who will in turn make the information known to their communities.</p> <p>Communication and consultation mechanisms should be agreed in collaboration with local communities and other affected or interested parties. These should consider the use of existing local mechanisms and languages. Consideration should be given to the existence/formation of a multi-stakeholder forum. Consideration should be given to differential access to information of women as compared to men, village leaders as compared to day labourers, new versus established community groups, and different ethnic groups.</p> <p>Consideration should be given to involving third parties, such as disinterested community groups, NGOs, or government (or a combination of these), to facilitate smallholder schemes and communities, and others as appropriate, in these communications.</p> <p><u>Scheme SH guidance:</u> Scheme managers must have documentary evidence that they have clear, implemented procedures for regular communications and consultations with scheme smallholders, including: - A nominated manager responsible for these issues. - Maintenance of a list of scheme smallholders, records of all communications and records of actions taken in response to input from scheme smallholders.</p> <p>Communication and consultations should make use of existing local mechanisms and languages.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
6.3	There is a mutually agreed and documented system for dealing with complaints	<p><u>Indicator 6.3.1:</u></p> <ul style="list-style-type: none"> <li>• The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where</li> </ul>

	<p>and grievances, which is implemented and accepted by all parties.</p>	<p>requested.</p> <p>⇒ MAJOR</p> <p><u>Indicator 6.3.2</u></p> <ul style="list-style-type: none"> <li>• Documentation of both the process by which a dispute was resolved and the outcome shall be available</li> </ul> <p>⇒ MAJOR</p> <p>Specific Guidance: For 6.3.1: The system should aim to reduce the risks of reprisal.</p> <p><u>Guidance:</u> <u>See also to Criterion 1.2</u></p> <p>All affected parties should agree with the dispute resolution mechanisms.</p> <p>Complaints may be dealt with by mechanisms such as Joint Consultative Committees (JCC), with gender representation. Grievances may be internal (employees) or external. Unless there are compelling reasons, the identity of complainants and whistle blowers must not be disclosed. Dispute resolution documents should remain confidential between the affected parties and the miller/grower.</p> <p><u>Scheme SH guidance:</u> Scheme managers have a documented system to resolve disputes concerning scheme smallholdings in an effective, timely and appropriate manner. Documents exist of both the process by which a dispute was resolved and the outcome showing the process was open to any affected parties. These dispute resolution mechanisms should be agreed upon with smallholders. In case a dispute cannot be resolved between the affected parties, an intermediate person who will be chosen by the affected parties may be invited.</p> <p><u>Independent SH guidance:</u></p>
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		<i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i>
6.4	Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous people, local communities and other stakeholders to express their views through their own representative institutions.	<p><u>Indicator 6.4.1:</u></p> <ul style="list-style-type: none"> <li>• A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.4.2:</u></p> <ul style="list-style-type: none"> <li>• 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 group's proof of legal versus communal ownership of land.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.4.3:</u></p> <ul style="list-style-type: none"> <li>• 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.</li> </ul> <p>⇒ MAJOR</p> <p><u>Specific Guidance</u></p> <p><i>For 6.4.2 Companies should make best efforts to ensure that equal opportunities have been provided to both female and male heads of households to hold land titles in smallholder schemes</i></p> <p><u>Guidance:</u></p>

		<p>This criterion should be considered in conjunction with criterion 2.3 and the associated guidance.</p> <p>The procedure for calculating and distributing fair compensation takes into account gender differences in the power to claim rights, ownership and access to land; difference of transmigrates and long-established communities; differences in ethnic groups’ proof of legal versus communal ownership of land. For land use and compensation issues, recognition should be given both to customary ownership right and land use right. Customary ownership and use right can be own as a whole or owned by different people/groups. The compensation will be split in case of split rights.</p> <p>Compensation (monetary or otherwise) should be timely.</p> <p><u>Scheme SH guidance:</u></p> <p><i>Scheme managers must be able to show that they have acquired and/or allocated land for smallholdings in compliance with this criterion. This includes:</i></p> <ul style="list-style-type: none"> <li>• <i>Establishment of a procedure for identifying legal and customary rights and a procedure for identifying people entitled to compensation.</i></li> <li>• <i>A procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented.</i></li> </ul> <p><i>These procedures should 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. Compensation should be in line with fair market value or replacement cost.</i></p> <ul style="list-style-type: none"> <li>• <i>The process and outcome of any negotiated agreements and compensation claims is documented and made publicly available where beneficiaries agree.</i></li> </ul> <p><i>This criterion should be considered in conjunction with Criterion 2.3 and the associated guidance.</i></p> <p><u>Independent SH guidance:</u></p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
6.5	Pay and conditions for employees and for employees of contractors	<p><u>Indicator 6.5.1:</u></p> <ul style="list-style-type: none"> <li>• Documentation of pay and conditions shall be available.</li> </ul>

	<p>always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>	<p>⇒ MAJOR</p> <p><u>Indicator 6.5.2:</u></p> <ul style="list-style-type: none"> <li>• 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.) are available in the languages understood by the workers or explained carefully to them by a management/union official.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.5.3:</u></p> <ul style="list-style-type: none"> <li>• Growers and millers provide adequate housing, water supplies, medical, educational and welfare amenities to national standard or above, where no such public facilities are available or accessible (not applicable to smallholders).</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.5.4:</u></p> <ul style="list-style-type: none"> <li>• Growers and millers shall pay employees at least the legal minimum wage.</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u></p> <p>Reference to the Labour Act, Chapter 198, Laws of the Federation of Nigeria (1990). Reference to the Immigration Act, Chapter 171, Laws of the Federation of Nigeria (1990)</p> <p>Where temporary, part-time or migrant workers are employed, a special labour policy should be established. This labour policy would state the non-discriminatory practices; no contract substitution; post arrival orientation program to focus especially on language, safety, labour laws, cultural practices etc.; decent living conditions to be provided. Migrant workers are legalized, and a separate employment agreement should be drawn up to meet immigration requirements for foreign workers, and international standards. Deductions do not jeopardize a decent living wage.</p>
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		<p>Forced labour is not used (see ILO conventions 29 and 105).</p> <p><u>Scheme SH guidance:</u></p> <p><i>Scheme managers must ensure that workers employed to service smallholders enjoy the same rights, conditions and protections as estate and mill employees in accordance with RSPO P&amp;C.</i></p> <p><u>Independent SH guidance:</u></p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
6.6	<p>The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>	<p><u>Indicator 6.6.1:</u></p> <ul style="list-style-type: none"> <li>• A published statement in English (explained in local languages) recognizing freedom of association shall be available.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.6.2:</u></p> <ul style="list-style-type: none"> <li>• Documented minutes of meetings with main trade unions or workers representatives.</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u></p> <p>The right of employees and contractors to form associations and bargain collectively with their employer should be respected, in accordance with Conventions 87 and 98 of the International Labour Organisation.</p> <p>Labour laws and union agreements or in their absence, direct contracts of employment detailing payments and other conditions are available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Minutes of meetings of unions amongst themselves should be kept by the unions. If and when unions request meetings between growers/millers and union, minutes should be kept by the grower/miller.</p>

		<p><u>Scheme SH guidance:</u> Scheme managers must respect the right of scheme smallholders to form and represent themselves through their own representative associations and/or trade unions and accept them as parties to participatory processes, consultations, communications and negotiations in the management of the scheme.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
6.7	Children are not employed or exploited.	<p><u>Indicator 6.7.1:</u></p> <ul style="list-style-type: none"> <li>• Documentary evidence that minimum age requirements are met.</li> </ul> <p>⇒ MAJOR</p> <p><u>Guidance:</u> Growers and millers should clearly define the minimum working age, together with working hours.</p> <p>Refer to the Nigeria Labour Act, Chapter 198, part III ‘ Special classes of worker and miscellaneous Special provisions’, 59 to 64 (young persons).</p> <p>Only workers above the minimum legal age (16 years) may be employed, with the exception of family farms. The Nigerian Labour Act Chapter 198 (1990) prohibits hazardous work by young persons. A young person under Nigeria Act is defined thus as a person below 16 of age.</p> <p>The minimum age of workers will not be less than stated in the Children’s Act, Act 560, 1998.</p> <p><u>Scheme SH guidance:</u> Scheme managers will train scheme smallholders in the national and ratified international legal requirements for avoiding use of child labour.</p> <p>Light work (reference to Children’s Act, Act 560, 1998) by children on family smallholdings within the scheme is only acceptable under adult supervision and when not interfering with education programmes and if permitted by national and ratified international laws.</p>

		<p><u>Independent SH guidance:</u>  <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
6.8	<p>Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</p>	<p><u>Indicator 6.8.1:</u></p> <ul style="list-style-type: none"> <li>• A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.8.2:</u></p> <ul style="list-style-type: none"> <li>• Evidence that employees and groups including local communities, women, and migrant workers have not been discriminated against.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.8.3:</u></p> <ul style="list-style-type: none"> <li>• Evidence that recruitment, hiring and promotion of employees are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u>  The right of employees and contractors to form association and bargain collectively with their employer should be respected, in accordance with ILO Conventions 87 and 98.</p> <p>Job advertisements and job descriptions for new positions should be advertised both internally and externally including communities. Otherwise the mode of recruitment should be in accordance with acceptable practice adopted and documented by the Company.</p> <p>The grievance procedures detailed in criterion 6.3 apply.</p> <p>Positive discrimination to provide employment and benefits to specific communities is acceptable as part of negotiated agreements.</p>



		<p><u>Scheme SH guidance:</u>  Scheme managers must ensure that there is no discrimination in the recruitment and employment of workers employed to service smallholders.  Scheme managers will not allocate smallholdings or recruit smallholders in a discriminatory way, except where local communities have negotiated to be provided smallholdings in accepting the establishment of schemes on their lands.  Scheme managers must ensure that women, indigenous people and minorities participate in negotiating processes.</p> <p><u>Independent SH guidance:</u>  <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification .</i></p>
6.9	A policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.	<p><u>Indicator 6.9.1:</u></p> <ul style="list-style-type: none"> <li>• A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.9.2:</u></p> <ul style="list-style-type: none"> <li>• A public statement and policy to protect the reproductive rights of all, especially women implemented and communicated to all levels of work force.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.9.3:</u></p> <ul style="list-style-type: none"> <li>• A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established and communicated to all levels of workforce.</li> </ul> <p>⇒ MINOR</p>

		<p><u>Guidance:</u> Reference to Nigeria Labour Act, Chapter 198, Part III ‘Special Classes And Miscellaneous Special Provisions’, 54 to 58, (Employment of women). The National Labour Act makes provisions such as: allowing a woman employee (on medical certificate) to take her confinement 6 weeks prior delivery and to remain on confinement 6 weeks following deliver; protecting a pregnant woman from night work.</p> <p>A clear policy on Sexual Harassment and Reproductive Rights should be developed in consultation with employees, contractors and other relevant stakeholders, and the policy should be publicly available. The policy should include education for women on this policy and awareness of the workforce.</p> <p>Reproductive rights of a woman should be respected.</p> <p>Growers/millers should encourage the formation of a gender committee through the organized unions to formally address issues relating to women rights such as violence.</p> <p><u>Scheme SH guidance:</u> Scheme managers must ensure that this provision applies to personnel employed to service smallholders, as well as those working in mills and estates as well as smallholders and those they employ.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
6.10	Growers and millers deal fairly and transparently with smallholders and other local businesses.	<p><u>Indicator: 6.10.1:</u></p> <ul style="list-style-type: none"> <li>• Current and past prices paid for FFB shall be publicly available.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.10.2:</u></p> <ul style="list-style-type: none"> <li>• Available evidence that grower/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services to be documented (where these are under the</li> </ul>

		<p>control of the mill or plantation).</p> <p>⇒ MAJOR</p> <p><u>Indicator 6.10.3:</u></p> <ul style="list-style-type: none"> <li>• Available evidence that all parties understand the contractual agreement they enter into, and that contracts are fair, legal and transparent.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.10.4:</u></p> <ul style="list-style-type: none"> <li>• Agreed payments are made in a timely manner.</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u>  Transactions with smallholders should consider issues such as the role of middle men, transport and storage of FFB, quality and grading. Where it is not practicable to recycle wastes to smallholders, compensation for the value of the nutrients exported might be made via the FFB price.</p> <p>Smallholders must have access to the grievance procedure under criterion 6.3, if they consider that they are not receiving a fair price for FFB, whether or not middle men are involved.</p> <p>The need for a fair and transparent pricing mechanism is particularly important for smallholders who are contractually obliged to sell all FFB to a particular mill.</p> <p>If mills require smallholders to change practices to meet the RSPO criteria, consideration must be given to the costs of such changes, and the possibility of advance payments for FFB could be considered.</p> <p><u>Scheme SH guidance:</u>  Scheme managers must ensure that:  - Current and past prices paid for FFB are publicly available.</p>
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		<ul style="list-style-type: none"> <li>- Fair and transparent pricing mechanisms must be established.</li> <li>- Pricing mechanisms for FFB and inputs/services are documented (where these are under the control of the mill or plantation).</li> <li>- Evidence is available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal, and transparent and in appropriate languages and all costs, fees and levies are explained and agreed in advance.</li> <li>- Agreed payments are made in a timely manner.</li> <li>- Debt repayment schemes are fair and fully transparent.</li> <li>- Where smallholders pay relevant service fee, those services must be delivered in a timely manner (e.g. road maintenance, transport, research, pest &amp; disease management).</li> <li>- Renegotiations over second plantings or extensions are commenced with an adequate lead in time.</li> </ul> <p>Transactions with scheme smallholders should deal fairly with issues such as the role of middle men, transport and storage of FFB and quality and grading.</p> <p>Smallholders must have access to the grievance procedure under criterion 6.3, if they consider that they are not receiving a fair price for FFB, whether or not middle men are involved.</p> <p>If mills require smallholders to change practices to meet RSPO criteria, consideration must be given to the costs of such changes, and the means of meeting these costs.</p> <p><u>Independent SH guidance:</u></p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
6.11	Growers and millers contribute to local sustainable development where appropriate.	<p><u>Indicator 6.11.1:</u></p> <ul style="list-style-type: none"> <li>• Demonstrable contributions to local development that are based on the results of consultation with local communities.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.11.2:</u></p> <ul style="list-style-type: none"> <li>• Evidence that efforts and /or resources have been allocated to improve smallholder</li> </ul>

		<p>productivity (where there are scheme smallholders)</p> <p>⇒ MINOR</p> <p><u>Guidance:</u>  Contributions to local development should be based on the results of consultation with local communities. See also criterion 6.2.  Such consultation should be based on the principles of transparency, openness and participation, and should encourage communities to identify their own priorities and needs, including the different needs of men and women.  The local authority should be actively involved in community development projects.  Where candidates for employment are of equal merit, preference should be given to members of local communities. Positive discrimination should not be recognized as conflicting with criterion 6.8.</p> <p>Where sourcing of fruit is from identified independent smallholders, efforts should be made to contribute to the improvement of their farming practices.</p> <p><u>Scheme SH guidance:</u>  This criterion is not applicable to Scheme Smallholders</p> <p><u>Independent SH guidance:</u>  <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification</i></p>
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6.12	No forms of forced labour or trafficked labour are used.	<p><u>Indicator 6.12.1:</u></p> <ul style="list-style-type: none"> <li>• Evidence that no forms of forced labour or trafficked labour are used</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 6.12.2:</u></p> <ul style="list-style-type: none"> <li>• Evidence that no contract substitution has occurred</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 6.12.3</u></p> <ul style="list-style-type: none"> <li>• Availability of special labour policy and procedures for temporary and migrant workers. Records of implementation shall be kept.</li> </ul> <p>⇒ MAJOR</p> <p>Specific Guidance</p> <p>For 6.12.1 Workers should enter into employment voluntarily and freely, without the threat of a penalty, and should have the freedom to terminate employment without a threat of penalty given reasonable notice or as per agreement</p> <p>For 6.12.3 The Special labour policy should include:</p> <ul style="list-style-type: none"> <li>• Statement of the non-discriminatory practices</li> <li>• No contract substitution</li> <li>• Post-arrival orientation program to focus especially on language, safety, labour laws, cultural practices, etc.</li> <li>• Decent living conditions to be provided</li> </ul> <p><u>Guidance:</u></p> <p>Workers should be allowed to enter into employment voluntarily and freely, without the threat of a penalty and should have the freedom to terminate employment without penalty when reasonable notice as per the employment agreement is given.</p>
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		<p>The special labour policy for migrant and temporary workers should include statement of non-discriminatory practices; no contract substitution; post-arrival orientation programme with emphasis on language, safety, labour laws, cultural practices and living conditions to be provided.</p> <p>Migrant workers should be assisted to legalize their stay in the country and their employment agreement should meet immigration requirements for foreign workers and international standards. Deductions from their salaries should not affect their minimum wages. Migrant workers should be allowed to submit their passports voluntarily.</p> <p>There should be evidence of due diligence in applying this to all sub-contract workers and suppliers</p> <p><u>Scheme SH</u> Scheme Managers must ensure that this provision applies to workers contracted to provide service to scheme smallholders.</p> <p><u>Independent SH</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
6.13	Growers and millers respect human rights.	<ul style="list-style-type: none"> <li>• <u>Indicator 6.13.1A</u> 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).</li> </ul> <p>⇒ ⇒ MAJOR</p> <p><u>Guidance:</u> See also Criteria 1.2 and 2.1. Reference to UN Guiding Principles on Business and Human Rights.</p> <p>A policy to respect human rights should be prepared in respect of international standards and communicated to all levels of work force. Records of implementation should be kept.</p> <p><u>Scheme SH</u> Scheme Managers must ensure scheme smallholders are aware of the company’s human rights policy and to implement it.</p>

		<u>Independent SH</u> A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented

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**PRINCIPLE 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS**

NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
7.1	<p>A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.</p>	<p><u>Indicator 7.1.1:</u></p> <ul style="list-style-type: none"> <li>• An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders, shall be documented.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.1.2:</u></p> <ul style="list-style-type: none"> <li>• Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 7.1.3:</u></p> <p>⇒ Where the development includes a smallholder scheme, the impacts of the scheme and the implications of the way it is managed should be given particular attention.</p> <p>⇒ MINOR</p> <p><u>Guidance:</u> See also criteria 5.1 and 6.1</p> <p>Plantations of 500 ha and above, a SEIA should be conducted by an independent body through a participatory approach including relevant affected stakeholders.</p> <p>A participatory methodology including external stakeholder groups is essential to the identification of impacts, particularly social impacts. Stakeholders such as local communities, government departments and NGOs should be involved, through the use of interviews and meetings, and by reviewing findings and plans for mitigation.</p>

		<p>The potential impacts of all major proposed activities including indirect/secondary impacts which are not under the control of individual growers and millers should be assessed prior to development. The assessment should include, in no order of preference, as a minimum:</p> <ul style="list-style-type: none"> <li>• Assessment of the impacts of all major planned activities, including planning, mill operations, roads and other infrastructure.</li> <li>• Assessment, including stakeholder consultation, of High Conservation Values (see criterion 7.3) that could be negatively affected.</li> <li>• Assessment of potential effects on adjacent natural ecosystems of planned developments, including whether development or expansion will increase pressure on nearby natural ecosystems.</li> <li>• Identification of water courses and assessment of potential effects on hydrology by planned developments. Measures should be planned and implemented to maintain the quantity of water resources.</li> <li>• Baseline soil surveys and topographic information, including the identification of marginal and fragile soils, areas prone to erosion and slopes unsuitable for planting.</li> <li>• Analysis of type of land to be used (forest, degraded forest, cleared land). See annex for forest classifications</li> <li>• Analysis of land ownership and user rights.</li> <li>• Analysis of current land use patterns.</li> <li>• Assessment of potential social impact on surrounding communities of a plantation, including an analysis of differential effect on women versus men, ethnic communities, migrant versus long-term residents.</li> <li>• Identification of activities which may generate significant GHG emissions (see RSPO GHG assessment procedures for new planting for guidance)</li> </ul> <p>Plans and field operations should be developed and implemented to incorporate the results of the assessment. One potential outcome of the assessment process is that the development should not proceed, because of the magnitude of potential impacts.</p> <p><u>Scheme SH guidance:</u> Where the proposed new plantings include schemes for smallholders, scheme managers should ensure that local communities, indigenous people and beneficiary smallholders participate actively in impact assessments. In addition to the consideration outlined in the RSPO P&amp;C such assessments must include participatory consideration of:</p>
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		<ul style="list-style-type: none"> <li>- Land use planning and land allocations to smallholders and arrangements regarding land acquisition.</li> <li>- Identification and mitigation of environmental impact, road building and road maintenance.</li> <li>- Debt provisions and payments, FFB pricing procedures, transport and grading.</li> <li>- Conservation Values (see criterion 7.3) that could be negatively affected.</li> <li>- Assessment of potential effects on adjacent natural ecosystems of planned smallholding developments, including whether development or expansion will increase pressures on nearby natural ecosystems.</li> <li>- Identification of watercourses and assessment of potential effects on hydrology by planned smallholding developments. Measures should be planned and implemented to maintain the quantity and quality of water resources.</li> <li>- Baseline soil surveys and topographic information, including the identification of marginal and fragile soils, areas prone to erosion and slopes unsuitable for planting.</li> <li>- Analysis of type of land to be used (forest, degraded forest, cleared land)</li> <li>- Analysis of land ownership and user rights.</li> <li>- Analysis of current land use patterns.</li> <li>- Assessment of potential social impact on surrounding communities of a plantation and associated smallholdings, including an analysis of differential effect on women versus men, ethnic communities, migrant versus long-term residents.</li> </ul> <p>Plans and field operations should be developed and implemented with the participation of smallholders to incorporate the results of the assessment.</p> <p><u>Independent SH guidance:</u></p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
7.2	Soils surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations	<p><u>Indicator 7.2.1</u></p> <ul style="list-style-type: none"> <li>• Soil suitability maps or soils surveys adequate to establish the long-term suitability of land for oil palm cultivation shall be available and taken into account in plans and operations</li> </ul> <p>⇒ MAJOR</p>

		<p><u>Indicator 7.2.2:</u></p> <ul style="list-style-type: none"> <li>• Topographic information adequate to guide the planning of drainage and irrigation system, roads and other infrastructure should be available and taken into account in plans and operations.</li> </ul> <p>⇒ MINOR</p> <p><u>Guidance:</u></p> <p>These activities may be linked to the SEIA (criterion 7.1) but need not be done by independent experts.</p> <p>Soil suitability maps or soils surveys should be appropriate to the scale of operation and should include information on soil types, topography, moisture availability, stoniness, fertility and long-term soil sustainability.</p> <p>Soils unsuitable for planting or those requiring special treatment should be identified. This information should be used to plan planting programmes, etc.</p> <p>Measures should be planned to minimize erosion through appropriate use of heavy machinery, terracing on slopes, appropriate road construction, rapid establishment of cover, protection of riverbanks, etc.</p> <p>Scheme SH guidance: Scheme managers must ensure that they apply the same procedures required for mills and new estates to all associated smallholder schemes. Information on soils may be collected and provided by the scheme management or the mill that purchases the scheme's FFB.</p> <p>Independent SH guidance: Companies should provide information on soil suitability to independent smallholders in their operational areas to assist them to grow oil palm sustainably.</p>
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7.3	New plantings since November 2005, have not replaced primary forest or any area required to maintain or enhance one or more High Conservation Values.	<p><u>Indicator 7.3.1:</u></p> <ul style="list-style-type: none"> <li>• There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCV), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained and/or enhanced (see Criterion 5.2).</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.3.2:</u></p> <ul style="list-style-type: none"> <li>• A comprehensive HCV assessment, including stakeholder consultation, shall be conducted prior to any conversion or new planting. This shall include a land use change analysis to determine changes to the vegetation since November 2005. This analysis shall be used, with proxies, to indicate changes to HCV status.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.3.3:</u></p> <ul style="list-style-type: none"> <li>• Dates of land preparation and commencement shall be recorded.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.3.4:</u></p> <ul style="list-style-type: none"> <li>• An action plan describing operational actions consequent to the findings of the HCV assessment is in place</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.3.5:</u></p> <ul style="list-style-type: none"> <li>• HCV assessment and management plans should identify areas required by affected communities to meet their basic needs, taking into account potential positive and negative changes in livelihoods resulting from the proposed operations.</li> </ul> <p>⇒ MINOR</p>
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		<i>for independent smallholder certification.</i>
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7.4	Extensive planting on steep terrain, and/or on marginal and fragile soils, including peat is avoided.	<p><u>Indicator 7.4.1:</u> Maps identifying marginal and fragile soils, including excessive gradients and peat soils, shall be available and used to identify areas to be avoided</p> <ul style="list-style-type: none"> <li>• MINOR</li> </ul> <p><u>Indicator 7.4.2:</u> Where limited planting on fragile and marginal soils, including peat, is proposed, plans shall be developed and implemented to protect them without incurring adverse impacts.</p> <ul style="list-style-type: none"> <li>• MAJOR</li> </ul> <p><u>Guidance</u> This activity may be integrated with the SEIA required by 7.1.</p> <p><i>Planting on fragile and peat soils should be avoided (see also criterion 4.3). Slopes between 0 and 16° are suitable for planting. Growers should avoid planting on slopes above 30°.</i></p> <p>Adverse impacts may include hydrological risks or significantly increased risks (e.g. fire risk) in areas outside the plantation (criterion 5.5).</p> <p><u>Scheme SH guidance:</u> Scheme managers must ensure that no lands are allocated to scheme smallholders on steep terrain and/or marginal and fragile soils. Where limited planting is proposed it must be fully justified and must not push people into poverty, and must be done in accordance with the indicators.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
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<p>7.5</p>	<p>No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent. This is 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>	<p><u>Indicator 7.5.1:</u></p> <ul style="list-style-type: none"> <li>• Evidence shall be available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed and ratified by these local peoples.</li> <li>• This activity should be integrated with the SEIA required by 7.1.</li> </ul> <p>⇒ MAJOR</p> <p><u>Guidance:</u> Refer to criteria 2.2, 2.3, 6.2, 6.4 and 7.6 for indicators and guidance on compliance.</p> <p>There must be free, prior and informed consent of affected communities before new plantings is established. Customary and user rights to be demonstrated through participatory user mapping as part of the FPIC process.</p> <p>Where new plantings are considered to be acceptable, management plans and operations should maintain sacred sites. Agreements with indigenous peoples, local communities and other stakeholders should be made without coercion or other undue influence (see guidance for 2.3).</p> <p>Relevant stakeholders include those affected by or concerned with the new plantings.</p> <p><u>Scheme SH guidance:</u> This criterion must be considered with criteria 2.2, 2.3, 6.4, and 7.6. Scheme managers must ensure that they first identify local owners of any and all lands for proposed scheme smallholdings. Scheme managers must provide:</p> <ul style="list-style-type: none"> <li>• Maps showing extent of recognised customary rights (criteria 2.3, 7.5 and 7.6).</li> <li>• Copies of negotiated agreements detailing process of consent (criteria 2.3, 7.5 and 7.6).</li> </ul> <p>Where lands are encumbered by legal or customary rights the scheme manager must demonstrate that these rights are understood and are not being threatened or reduced. This</p>
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		<p>criteria should be considered in conjunction with criteria 6.4 and 7.6. Where customary rights areas are unclear these are best established through participatory mapping exercises involving affected and neighbouring communities.</p> <p>This criterion allows for sales and negotiated agreements to compensate other users for lost benefit, and/or relinquished rights and also provide alternative livelihood.</p> <p>Negotiated agreements to acquire lands for scheme smallholdings should be non-coercive and entered into voluntarily, carried out prior to new investments or operations and based on an open sharing of all relevant information in appropriate forms and languages, including assessments of impacts, proposed benefit sharing and legal arrangements.</p> <p>Communities must be permitted to seek legal counsel if they so choose. Communities must be represented through institutions or representatives of their own choosing, operating transparently and in open communication with other community members. Adequate time must be given for customary decision-making and iterative negotiation allowed for, where requested. Negotiated agreements should be binding on all parties and enforceable in the courts.</p> <p>Scheme managers have maps or other documents showing land allocations for scheme smallholders and can show these lands are not claimed or contested by third parties with legitimate claims.</p> <p>Scheme managers can show that lands acquired for smallholders do not diminish legal or customary rights. Where others' customary or legally owned lands have been taken-over there is documentary proof of transfer of rights (e.g. sale) and of payment or provision of agreed compensation.</p> <p><u>Independent SH guidance:</u></p> <p><i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
7.6	Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and	<p><u>Indicator 7.6.1:</u></p> <ul style="list-style-type: none"> <li>• Documented identification and assessment of legal and customary and user rights shall be available</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.6.2:</u></p>

	<p>negotiated agreements.</p>	<ul style="list-style-type: none"> <li>• Establishment of a documented system for identifying people entitled to compensation.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.6.3:</u></p> <ul style="list-style-type: none"> <li>• A system for calculating and distributing fair compensation (monetary or otherwise) shall be in place</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.6.4:</u></p> <ul style="list-style-type: none"> <li>• Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 7.6.5:</u></p> <ul style="list-style-type: none"> <li>• The process and outcome of any compensation claims shall be documented and made publicly available.</li> </ul> <p>⇒ MINOR</p> <p><u>Indicator 7.6.6:</u></p> <ul style="list-style-type: none"> <li>• Available evidence that affected communities and rights holders have access to independent information and advice on the economic, environmental and social impacts of the proposed operations on their lands.</li> <li>• MINOR</li> </ul> <p><u>Guidance:</u> This activity shall be integrated with the SEIA as required by Criterion 7.1. Refer also to Criteria 2.2, 2.3 and 6.4 and associated guidance.</p>
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		<p>This requirement includes indigenous peoples (see Annex 1).</p> <p>Growers and millers will confirm that the affected communities or their representatives gave consent to the proposed project.</p> <p>A Resettlement Action Plan where applicable or a Community Development Plan should be in place. Other benefits include compensation payment, provision of alternative livelihood, and development of smallholder schemes.</p> <p><u>Scheme SH guidance:</u> See criterion 7.5 above. This is not applicable for the farmlands in outgrower schemes as during initial land inspection; each land has to be covered by a land title or a tenancy agreement between the applicant and the landowner.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
7.7	No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.	<p><u>Indicator 7.7.1:</u></p> <ul style="list-style-type: none"> <li>• There shall be no land preparation by burning, other than in specific situations, as identified in the ‘Guidelines for the Implementation of the ASEAN Policy on Zero Burning’ 2003, or comparable guidelines in other regions.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.7.2:</u></p> <ul style="list-style-type: none"> <li>• In exceptional cases where fire has to be used for preparing land for planting, there shall be evidence of prior approval of the controlled burning as specified in the “Guidelines for the implementation of the ASEAN Policy on Zero Burning”, 2003, or comparable guidelines in other regions.</li> </ul> <p>⇒ MINOR</p>

		<p><u>Specific Guidance:</u> For 7.7.2: This activity shall be integrated with the social and environmental impact assessment (SEIA) required by Criterion 7.1.</p> <p><u>Guidance:</u> Fire may be used only where an assessment has demonstrated that it is the most effective and least environmentally damaging option for minimizing the risk of severe pest and disease outbreaks, and with evidence that fire-use is carefully controlled.</p> <p>Extension/training programmes for smallholders may be necessary.</p> <p><u>Scheme SH guidance:</u> Scheme managers must ensure that no fire is used to establish new plantings. Fire should be used only where an assessment has demonstrated that it is the most effective and least environmentally damaging option for minimising the risk of severe pest and disease outbreaks during the preparation of new plantings, and with evidence that fire-use is carefully controlled.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>
7.8	<p>New plantation developments are designed to minimize net greenhouse gas emissions.</p>	<p><u>Preamble</u> It is noted that oil palm and all other agricultural crops emit and sequester greenhouse gases (GHG). There has already been significant progress by the oil palm sector, especially in relation to reducing GHG emissions relating to operations. Acknowledging both the importance of GHGs, and the current difficulties of determining emissions, the following new Criterion is introduced to demonstrate RSPO's commitment to establishing a credible basis for the Principles and Criteria on GHGs. Growers and millers commit to reporting on projected GHG emissions associated with new developments. However, it is recognized that these emissions cannot be projected with accuracy with current knowledge and methodology.</p>

		<p>Growers and millers commit to plan development in such a way to minimize net GHG emissions towards a goal of low carbon development (noting the recommendations agreed by consensus of the RSPO GHG WG2).</p> <p>Growers and millers commit to an implementation period for promoting best practices in reporting to the RSPO, and after December 31st 2016 to public reporting. Growers and millers make these commitments with the support of all other stakeholder groups of the RSPO.</p> <p><u>Indicator 7.8.1:</u></p> <ul style="list-style-type: none"> <li>• The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated.</li> </ul> <p>⇒ MAJOR</p> <p><u>Indicator 7.8.2:</u></p> <ul style="list-style-type: none"> <li>• A documented plan to minimize net GHG emissions taking into account avoidance of land areas with high carbon stocks and/or sequestration options is in place</li> </ul> <p>⇒ MINOR</p> <p>Specific Guidance</p> <p>For 7.8.1 GHG identification and estimates can be integrated into existing processes such as HCV and soil assessments.</p> <p>The RSPO Carbon assessment tool for new plantings can be used for the identification and estimation of carbon stocks. It is acknowledged that there are other tools and methodologies currently in use; the RSPO Working Group will not exclude these and will include these in the review process.</p> <p>The RSPO PalmGHG tool or an RSPO-endorsed equivalent shall be used to estimate future GHG emissions from new developments using, amongst others, the data from the RSPO carbon assessment tool for new plantings.</p>
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7.8	<p>Parties seeking to use an alternative tool for new plantings will have to demonstrate its equivalence to the RSPO for endorsement.</p> <p>For 7.8.2 Growers are strongly encouraged to establish new plantings in mineral soils, in low carbon stock areas, and cultivated areas, which the current users are willing to develop into oil palm. Millers are encouraged to adopt low-emission management practices (e.g. better management of palm oil mill effluent (POME), efficient boilers, etc.) in new developments.</p> <p>Growers and millers should plan to implement RSPO best management practices for the minimization of emissions during the development of new plantations.</p> <p><u>Guidance:</u> GHG identification and estimates can be integrated into existing processes such as HCV and soil assessments. The RSPO Carbon assessment tool for new plantings can be used for the identification and estimation of carbon stocks. Other existing tools and methodologies can also be used.</p> <p>The RSPO Palm GHG tool or an RSPO-endorsed equivalent shall be used to estimate future GHG emissions from new developments using, amongst others, the data from the RSPO carbon assessment tool for new plantings.</p> <p>Parties seeking to use an alternative tool for new plantings will have to demonstrate its equivalence to the RSPO for endorsement.</p>
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PRINCIPLE 8: COMMITMENT TO CONTINUAL IMPROVEMENT IN KEY AREA OF ACTIVITY		
NO.	PRINCIPLES AND CRITERIA	INDICATORS /GUIDANCE
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.	<p><u>Indicator 8.1.1:</u></p> <ul style="list-style-type: none"> <li>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.</li> </ul> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>Reduction in use of pesticides(Criterion 4.6);</li> <li>Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>Waste reduction (Criterion 5.3);</li> <li>Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>Social impacts (Criterion 6.1);</li> <li>Optimising the yield of the supply base.</li> </ul> <p>⇒ MAJOR</p> <p><u>Guidance:</u> Growers and millers should have a system to improve practices in line with new information and techniques and a mechanism for disseminating this information throughout the workforce.</p> <p><u>Scheme SH guidance:</u> Scheme managers must provide systematic guidance and training for continual improvement to scheme smallholders. The guidance and training should include practices that maintain soil fertility, yield improvement, management of soil erosion and Integrated Pest Management.</p> <p><u>Independent SH guidance:</u> <i>Where applicable, Group managers should use appropriate RSPO approved guidance document for independent smallholder certification.</i></p>



## Definitions

**Environmental Impact Assessment:** A process of predicting and evaluating the effects of an action or series of actions on the environment, then using the conclusions as a tool in planning and decision-making.

**Family farm:** A farm operated and mostly owned by a family, for the growing of oil palm, sometimes along with subsistence production of other crops, and where the family provides the majority of the labour used. Such farms provide the principal source of income, and the planted area of oil palm is below 50 hectares in size. Work by children is acceptable on family farms, under adult supervision; when not interfering with education programmes; when children are part of the family and when they are not exposed to hazardous working conditions.

**Grower:** The person or entity that owns and/or manages an oil palm development.

**High Conservation Value (HCV) Areas:** The areas necessary to maintain or enhance one or more High Conservation Values (HCVs):

- HCV 1 – Species diversity. Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.
- HCV 2 - Landscape-level ecosystems and mosaics. Large landscape level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.
- HCV 3 - Ecosystems and habitats. Rare, threatened, or endangered ecosystems, habitats or refugia.
- HCV 4 - Critical ecosystem services. Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.
- HCV 5 - Community needs. Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc.), identified through engagement with these communities or indigenous peoples.
- HCV 6 - Cultural values. Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities.

**Note:** RSPO will develop coherent guidance for standardized identification, management and monitoring (and other types of relevant guidance) of HCVs which would include guidance for compatibility of national toolkits as necessary.

**Integrated Pest Management (IPM):** IPM is the careful consideration of all available pest control techniques and subsequent integration of appropriate measures that discourage the development of pest populations and keep pesticides and other interventions to levels that are economically justified and reduce or minimize risks to human health and the environment. IPM emphasizes the growth of a

healthy crop with the least possible disruption to agro-ecosystems and encourages natural pest control mechanisms.

(FAO 2013:<http://www.fao.org/agriculture/crops/corethemes/theme/pests/ipm/en/>)

ISO Standards: Standards developed by the International Organization for Standardization (ISO: see <http://www.iso.ch/iso>).

Livelihood: A person's or a group's way of making a living, from their environment or in the economy, including how they provision their basic needs and assure themselves and following generations secure access to food, clean water, health, education, housing and the materials needed for their life and comfort either through their own direct use of natural resources or through exchange, barter, trade or engagement in the market.

A livelihood includes not just access to resources but the knowledge and institutions that make this possible such as time for community participation and integration, personal, local or traditional ecological knowledge, skills, endowments and practices, the assets that are intrinsic to that way of making a living (e.g. farms, fields, pastures, crops, stock, natural resources, tools, machinery and intangible cultural properties) and their position in the legal, political and social fabric of society.

The risk of livelihood failure determines the level of vulnerability of a person or a group to income, food, health and nutritional insecurity. Therefore, livelihoods are secure when they have secure ownership of, or access to, resources and income earning activities, including reserves and assets, to offset risks, ease shocks and meet contingencies.

(Compiled from various definitions of livelihoods from DfID, IDS and FAO and academic texts from: <http://www.fao.org/docrep/X0051T/X0051t05.htm>).

Miller: A person or entity that operates a Palm Oil Mill.

Natural vegetation: Areas where many of the principal characteristics and key elements of native ecosystems such as complexity, structure and diversity are present.

Operations: All activities planned and/or undertaken by the management unit within the boundaries of the palm oil mill and its supply base.

Operator: A person or entity that runs a business, machine, facility etc.

Origin of fresh fruit bunch (FFB): Source of FFB entering a mill (see Indicator 4.1.4). RSPO members acknowledge the need for responsible operators to practise due diligence in sourcing of FFB from third parties to reduce the risk that unsustainable products are entering the certified supply chain. However it is also recognised that there are significant challenges in tracing all such supplies back to their point of origin. Therefore, as a minimum the mill must record the particulars of the party from which the FFB was sourced at the mill gate.

Note: As stated in the preamble, the millers will commit to a process whereby they aim to source third party FFB from identified, legal and responsible sources.

Outgrowers: Farmers, where the sale of FFB is exclusively contracted to the grower/miller. Outgrowers may be smallholders.

**Pesticide:** Substances or mixture of substances intended for preventing, destroying, repelling or mitigating any pest. Pesticides are categorized into four main substituent chemicals: herbicides; fungicides; insecticides and bactericides.

**Plan –** A time-bound and detailed scheme, programme, or method for achieving objective(s) and desired outcome(s). Plans shall have clear targets with timelines for delivery, actions to be taken and a process for monitoring progress, adapting plans to changing circumstances and reporting. Plans shall also include the identification of named individuals or positions responsible for the delivery of the plan. There shall be evidence that sufficient resources are available to carry out the plan and the plan is implemented in full.

**Undue influence:** The exertion by a third party of any kind of control such that a person signs a contract or other agreement which, absent the influence of the third party, he would not have signed.

**Workforce:** The total number of workers employed by the management unit either directly or indirectly. This includes contract workers and consultants.

- **Migrant worker:** a person who migrates from one country to another with a view to being employed otherwise than on his own account and includes any person regularly admitted as a migrant for employment. Migrants are defined as those who cross international boundaries for the purposes of employment, and do not include those workers who move within a country for the purposes of employment.
- **Transmigrant worker:** a person who migrates from one part of the country to another with a view to being employed otherwise than on his own account

**Plantation:** The land containing oil palm and associated land uses such as infrastructure (e.g., roads), riparian zones and conservation set-asides.

**Primary Forest:** A primary forest is a forest that has never been logged and has developed following natural disturbances and under natural processes, regardless of its age. Also included as primary, are forests that are used inconsequentially by indigenous and local communities living traditional lifestyles relevant for the conservation and sustainable use of biological diversity. The present cover is normally relatively close to the natural composition and has arisen (predominantly) through natural regeneration. (From FAO Second Expert Meeting On Harmonizing Forestrelated Definitions for Use by Various Stakeholders, 2001, [http://www.fao.org/documents/show\\_cdr.asp?url\\_file=/DOCREP/005/Y4171E/Y4171E11.htm](http://www.fao.org/documents/show_cdr.asp?url_file=/DOCREP/005/Y4171E/Y4171E11.htm)).

**Note:** National interpretations should consider whether a more specific definition is required.

**Prophylactic:** A treatment or course of action applied as a preventive measure.

**Restore:** Returning degraded or converted areas within the plantation to a semi-natural state.

**Rights** are legal, social, or ethical principles of freedom or entitlement:

- **Customary rights:** Patterns of long-standing community land and resource usage in laws, values, customs and traditions, including seasonal or cyclical use rather than formal legal title to land and resources issued by the State.

- (From World Bank Operational Policy 4.10 - <http://go.worldbank.org/6L01FZTD20>).
- Legal rights: Rights given to individual(s), entities and others through applicable local, national or ratified international laws and regulations
- User rights: Rights for the use of land and resources that can be defined by local custom, mutual agreements, or prescribed by other entities holding access rights. (From FSC Principles & Criteria:
  - <https://ic.fsc.org/download.revised-fsc-pc-v-5-0-high-resolution.a-871.pdf>)
- Demonstrable rights are those rights that are demonstrated through participatory user mapping as part of an FPIC process.

Note: Where there is a national interpretation, these rights shall be further defined taking into account national obligations, constitutions, local laws and regulations, consistent with the generic definitions, including development of adequate guidance on a process to avoid or resolve any conflicts between customary rights (as defined above) and the nationally recognised customary rights.

Smallholders: Farmers growing oil palm, sometimes along with subsistence production of other crops, where the family provides the majority of labour and the farm provides the principal source of income and where the planted area of oil palm is usually below 10 hectares in size.

- Scheme smallholders - Smallholders that may be structurally bound by contract, credit agreement or by planning to a particular mill, but the association is not necessarily limited to such linkages. Other terms commonly used for scheme smallholders include associated and/or plasma smallholders.
- Independent smallholders - Smallholders that are not bound by any contract, credit agreement or planning to a particular mill.

Stakeholders: An individual or group with a legitimate and/or demonstrable interest in, or who is directly affected by, the activities of an organisation and the consequences of those activities.

## Annex 1: National Interpretation Task Force

Representative Organization	Interest Category	Name of Representative
PZ-Wilmar Ltd	Grower/Smallholder	Yomi Ifaturoti
Presco plc/SNL (alternate)	Grower/Smallholder	Sophie Engelskirchen (Carlos Tello)
Okumu opc Plc	Grower/Smallholder	Billy Ghansah
National Palm Produce Association of Nigeria (NPPAN)	Grower/Smallholder	Olatujoye Henry Gbenga
Oil Palm Growers Association Nigeria (OPGAN)	Grower/Smallholder	HRH Igwe Hilary Uche
IMC	Grower/Smallholder	Brian Hammond /Olomu Sebastian
JB Farm (alternate)		Seyi Atinaro
First Banks of Nigeria/FCMB (First City Monument Bank alternate)	Supply Chain & Investors	Aliu Mohammed /
PZ Cussons	Supply Chain & Investors	Mohammed Tahir
Sudit oil	Supply Chain & Investors	Sir Partick Nwaokolo
Nigerian Conservation Foundation	Environmental NGOs	Uzamere Eseosa
Concern Universal, Nigeria	Environmental NGOs	Tim Kellow
PIND/ SHERDA (alternate)	Social NGOs	James Elekwachi
Solidaridad West Africa	Social NGOs	Babajide Stephen
DIN/NNF (alternate)	Social NGOs	Odey James
The Proforest Initiative	Technical Facilitator	Isaac Abban-Mensah
Foremost	Facilitator	Fatai Afolabi

## Annex 2: International laws

Principles	International Standards	Key provisions	Summary of Protections
Ethical Business Conduct	United Nations Convention Against Corruption (2000)	Article 12	Promoting the development of standards and procedures to safeguard the integrity of private entities, including codes of conduct for business activities and preventing conflicts of interest  Promoting transparency  Ensuring that companies have sufficient internal auditing controls to prevent corruption.
Respect for Human rights	United Nations Guiding Principles and Human Rights (2011) International Bill of Human Rights <ul style="list-style-type: none"> <li>• Universal Declaration of Human Rights (1948)</li> <li>• International Covenant on Civil and Political Rights</li> <li>• International Covenant on Economic, Social and Cultural Rights</li> </ul>	Principles 11 to 24  Articles 1 – 30  Articles 1- 27 Articles 1 - 15	Respect human rights, by avoiding and/or mitigating negative impacts regardless of their organization size, sector of operation or ownership
Just Land Acquisition	ILO Convention 169 (1989) on Indigenous and Tribal Peoples	Articles 13-19	Respect and safeguard rights to lands and natural resources traditionally occupied and used; respect for customs of inheritance; no forced removals; compensation for loss and injury.
Just Land Acquisition	UN Declaration on the Rights of Indigenous Peoples (2007)	Articles 25, 26	Right to distinctive relationship with land; right to own, use, develop and control their lands, territories and other resources.
	UN Convention on Biological Diversity (1992)	Article 10(c)	Protect and encourage customary use of biological resources in accordance with traditional practices.
Fair Representation	ILO Convention 169 (1989) on Indigenous	Articles 6-9	Represent themselves through their own representative institutions;

And Participation of Indigenous and Tribal Peoples	and Tribal Peoples		consultations with objective of achieving agreement or consent; rights to decide their own priorities, retain their own customs and resolve offences according to customary law (compatible with international human rights).
	UN Declaration on the Rights of Indigenous Peoples (2007)	Articles 10, 11(2), 19, 28(1), 29(2) and 32(2).	Right to free, prior and informed consent to any project affecting their lands as expressed through their own representative institutions.
	Convention on the Elimination of All Forms of Racial Discrimination, International Covenant on Economic, Social and Cultural Rights, InterAmerican Human Rights System.	UN CERD Committee, UN Committee on Social Cultural and Economic Rights, Inter-American Commission on Human Rights <sup>1</sup>	Free, Prior and Informed Consent for decisions that may affect indigenous peoples.  (This standard has been widely accepted as a 'best practice' standard by bodies such as World Commission on Dams, Extractive Industries Review, Forest Stewardship Council, UNDP, CBD, IUCN and WWF).
No Forced Labour	ILO Convention 29 (1930) Forced Labour	Article 5	No concession to companies shall involve any form of forced or compulsory labour.
	ILO Convention 105 (1957) Abolition of Forced Labour	Article 1	Not make use of any form of forced or compulsory labour.
Protection of Children	ILO Convention 138 (1973) Minimum Age	Articles 1-3	Abolition of child labour and definition of national minimum age for labour not less than 15-18 years (depending on occupation).
	ILO Convention 182 (1999) Worst Forms of Child Labour	Articles 1-7	Abolition of child slavery, debt bondage, trafficking and procurement for prostitution; suitable methods to monitor and enforce compliance.
	UN Declaration on the Rights of Indigenous Peoples (2007)	Articles 17(2), 21, 22(2)	No exploitation or exposure to hazard or discrimination against indigenous women and children.
Freedom of Association	ILO Convention 87 (1948) Freedom of	Articles 2- 11	Freedom to join organisations, federations and confederations of

<sup>1</sup>For details see [www.forestpeoples.org](http://www.forestpeoples.org).

and Collective Bargaining	Association and Protection of Right to Organise		their own choosing; with freely chosen constitutions and rules; measures to protect the right to organise.
	ILO Convention 98 (1949) Right to Organise and Collective Bargaining	Articles 1-4	Protection against anti-union acts and measures to dominate unions; established means for voluntary negotiation of terms and conditions of employment through collective agreements.
	ILO Convention 141 (1975) Rural Workers' Organisations	Articles 2-3	Right of tenants, sharecroppers and smallholders to organise; freedom of association; free from interference and coercion.
	UN Declaration on the Rights of Indigenous Peoples (2007)	Article 3	Indigenous peoples have the right to self-determination and to freely pursue their economic, social and cultural development.
Non-Discrimination and Equal Remuneration	ILO Convention 100 (1951) Equal Remuneration	Articles 1-3	Equal remuneration for men and women for work of equal value.
	ILO Convention 111 (1958) Discrimination (Employment and Occupation)	Articles 1-2	Equality of opportunity and treatment in respect to employment and occupation; no discrimination on the basis of race, colour, sex, religion, political opinion, national extraction or social origin.
	UN Declaration on the Rights of Indigenous Peoples (2007)	Articles 2, 8(2e), 9, 15(2), 16(1), 21(2), 22, 24(1), 29(1), 46(3)	No discrimination based on origin or identity; free to express identity based on custom; special attention to and full protection of rights of indigenous women.
Just Employment of Migrants	ILO Convention 97 (1949) Migration for Employment	Articles 1-9	Provision of information; no obstacles to travel; provision of health care; non-discrimination in employment, accommodation, social security and remuneration; no forced repatriation of legal migrant workers; repatriation of savings.
	ILO Convention 143 (1975) Migrant Workers (Supplementary Provisions)	Articles 1- 12	Respect basic human rights; protection of illegal migrants from abusive employment; no trafficking in illegal migrants; fair treatment of migrant labour.
Protection of Plantation	ILO Convention 110 (1958) Plantations	Articles 5- 91	Protection of members of families of recruited workers; protection of



Workers <sup>2</sup>			workers' rights during recruitment and transport; fair employment contracts; abolition of penal sanctions; fair wages and conditions of work; no coercion or obligation to use company stores; adequate accommodation and conditions; maternity protection; compensation for injuries and accidents; freedom of association; right to organise and collective bargaining; proper labour inspection; decent housing and medical care.
Protection of Tenants and Sharecroppers	ILO Recommendation 132 (1968) Tenants and Sharecroppers	Articles 4-8	Fair rents; adequate payment for crops; provisions for well-being; voluntary organisation; fair contracts; procedures for the settlement of disputes.
Protection of Smallholders	ILO Convention 117 (1962) Social Policy (Basic Aims and Standards)	Article 4	Alienation with due regard to customary rights; assistance to form cooperatives; tenancy arrangements to secure highest possible living standards.
Health and Safety	ILO Convention 184 (2001) Safety and Health in Agriculture	Articles 7- 21	Carry out risk assessments and adopt preventive and protective measures to ensure health and safety with respect to workplaces, machinery, equipment, chemicals, tools and processes; ensure dissemination of information, appropriate training, supervision and compliance; special protections for youth and women workers; coverage against occupational injuries and disease.
Control or Eliminate Use of Dangerous Chemicals and Pesticides	Stockholm Convention on Persistent Organic Pollutants (2001)	Articles 1-5	Prohibit and/or eliminate production and use of chemicals listed in Annex A (e.g. Aldrin, Chlordane, PCB); restrict production and use of chemicals in Annex B (e.g. DDT); reduce or eliminate releases of chemicals listed in Annex C (e.g. Hexachlorobenzene).

<sup>2</sup>Convention 110 Article 1(1) defines a plantation as '*an agricultural undertaking regularly employing hired workers....concerned with the cultivation or production of .... [inter alia] palm oil' ....*

	FAO International Code of Conduct on the Distribution and Use of Pesticides (1985, Revised 2002)	Article 5	Curtail use of dangerous pesticides where control is difficult; ensure use of protective equipment and techniques; provide guidance for workers on safety measures; provide extension service to smallholders and farmers; protect workers and bystanders; make available full information on risks and protections; protect biodiversity and minimize impacts on environment; ensure safe disposal of waste and equipment; make provisions for emergency treatment for poisoning.
	Rotterdam Conventions on Prior and Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (1998)	Articles 1, 5 and 6	Curb trade in banned and hazardous chemicals and pesticides; develop national procedures for control of their use and trade; list banned and hazardous chemicals and pesticides.
	UN Declaration on the Rights of Indigenous Peoples (2007)	Articles 21(1), 23, 24, 29(3)	Improvement of livelihood in sanitation, health and housing; participate in health delivery; maintain traditional health systems; effective monitoring of health.

### Annex 3: International Environmental Conventions Signed by Nigeria

Convention	Year of Accession
African Convention on the Conservation of Nature and Natural Resources	1968
Convention on Biological Diversity (CBD)	1993
UN Framework Convention on Climate Change (UNFCCC)	1994
Kyoto Protocol	1999
UN Convention on Combating Desertification (UNCCD)	1996
Convention on the Protection of Wetlands of International Importance (RAMSAR)	1998
Vienna Convention for the Protection of the Ozone Layer	1996
Montreal Protocol (regulating substances that deplete the ozone layer)	1996
Convention on International Trade in Endangered Species of Fauna and Flora (CITES)	1996
Convention on Trans-boundary Movement of Hazardous Waste (BASEL)	1997
Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade	2000
Stockholm Convention on Persistent Organic Pollutants (POPs)	2004
World Heritage Convention	1990

Convention on the Conservation of Migratory Species of Wild Animals (BONN Convention)	1979
International Union for the Conservation of Nature and Natural Resources (IUCN)	1956
The Equator Principles	2003

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## Annex 4: National laws & Regulations

Criterion	Relevant laws, regulations and guidelines.
1.1	<ul style="list-style-type: none"> <li>Freedom of Information Act , LFN (2011)</li> </ul>
2.1	<ul style="list-style-type: none"> <li>National Environmental (Permitting And Licensing System) Regulations, S. I. 29 Of 2009</li> </ul>
4.2	<ul style="list-style-type: none"> <li>National Effluent Limitations Regulations S.I.8, 1991</li> <li>National Environment Protection (Pollution Abatement In Industries And Facilities Producing Waste) Regulations (1991). Sections 1, 4 and 5</li> </ul>
4.4	<ul style="list-style-type: none"> <li>National Environmental Standards And Regulation Enforcement Agency (NESREA) ACT 2007</li> <li>National environmental protection (management of solid and hazardous wastes) S1.15 of 1991 under section 37 + national environmental protection (effluent limitation) regulations, S1.8 of 1991 under section 40</li> </ul>
4.6	<ul style="list-style-type: none"> <li>Biopesticides Registration Regulations 2014</li> </ul>
4.7	<ul style="list-style-type: none"> <li>Nigeria Labour Act, (1990) Chapter 198</li> </ul>
4.8	<ul style="list-style-type: none"> <li>Nigeria Labour Act, (1990) Chapter 198</li> </ul>
5.1	<ul style="list-style-type: none"> <li>Environmental Assessment Regulations, No 86, 1992 of the Federal Ministry of Environment, Environmental Impact Assessment (EIA) Act. Cap E12, LFN 2004. Section 2 (1), (4), Sections 13 and 60</li> </ul>
5.2	<ul style="list-style-type: none"> <li>Endangered Species Act , Cap E9, LFN 2004. Sections 1, 5 and 7</li> </ul>
5.3	<ul style="list-style-type: none"> <li>Hazardous And Solid Waste Management Regulations S.1.9., 1991</li> <li>National Environmental (Control Of Bush/Forest Fire And Open Burning) Regulations, S.I 15 Of 2011</li> </ul>
5.5	<ul style="list-style-type: none"> <li>National Environmental (Control Of Bush/Forest Fire And Open Burning) Regulations, S.I 15 Of 2011</li> </ul>
5.6	<ul style="list-style-type: none"> <li>National Environmental (Food, Beverages and Tobacco Sector) Regulations, 2009. S. I. No. 33)</li> </ul>
6.1	<ul style="list-style-type: none"> <li>Crop compensation regulation</li> <li>Land Use Act Cap 202, LFN 2004</li> <li>Law of conveyance</li> <li>Environmental Impact Assessment (EIA) Act. Cap E12, LFN 2004. Section 2 (1), (4), Sections 13 and 60</li> </ul>
6.2	<ul style="list-style-type: none"> <li>Trade Union Act amendment 2005</li> <li>freedom of Information Act , LFN (2011)</li> </ul>
6.3	<ul style="list-style-type: none"> <li>Labour Act, Chapter 198, LFN (1990): Part IV</li> </ul>
6.4	<ul style="list-style-type: none"> <li>Crop Compensation Regulation</li> <li>Land Use Act Cap 202, LFN 2004</li> </ul>
6.5	<ul style="list-style-type: none"> <li>Labour Act, Chapter 198, LFN (1990): Part I, II, III &amp; IV.</li> <li>Factories Act, Cap F1, LFN 2004. Section 13</li> <li>Public Holidays Act, Chapter 378, LFN (1990)</li> <li>Trade Union Act amendment 2005</li> <li>Pension Reform Act (2004 &amp; amendment 2011)</li> </ul>
6.6	<ul style="list-style-type: none"> <li>Trade Union Act amendment 2005</li> </ul>
6.7	<ul style="list-style-type: none"> <li>Nigeria Labour Act, Chapter 198, part III 'Special classes of worker and miscellaneous Special provisions', 59 to 64 (young persons).</li> </ul>

	<ul style="list-style-type: none"> <li>• Legal Education Act, Chapter 206, Laws of Federation of Nigeria (1990):</li> </ul>
<b>6.8</b>	<ul style="list-style-type: none"> <li>• Trade Union Act amendment 2005</li> <li>• Nigeria Labour Act, Chapter 198</li> </ul>
<b>6.9</b>	<ul style="list-style-type: none"> <li>• Nigeria Labour Act, Chapter 198</li> </ul>
<b>6.10</b>	<ul style="list-style-type: none"> <li>• Nigeria Labour Act, Chapter 198</li> </ul>
<b>6.12</b>	<ul style="list-style-type: none"> <li>• Nigeria Labour Act, Chapter 198, Part III 'Special Classes of workers and miscellaneous Special provisions', 73-74 (Forced Labour)</li> </ul>
<b>7.1</b>	<ul style="list-style-type: none"> <li>• Environmental Impact Assessment (EIA) Act. Cap E12, LFN 2004. Section 2 (1), (4), Sections 13 and 60</li> </ul>
<b>7.3</b>	<ul style="list-style-type: none"> <li>• Forestry Law Cap 51, 1994</li> </ul>
<b>7.4</b>	<ul style="list-style-type: none"> <li>• National Environmental (Wetlands, River Banks And Lake Shores Protection) Regulations, S. I. 26 Of 2009;</li> </ul>
<b>7.6</b>	<ul style="list-style-type: none"> <li>• Crop Compensation Regulation</li> </ul>
<b>7.7</b>	<ul style="list-style-type: none"> <li>• National Environmental (Wetlands, River Banks And Lake Shores Protection) Regulations, S. I. 26 Of 2009;</li> <li>• National Environmental (Control Of Bush/Forest Fire And Open Burning) Regulations, S.I 15 Of 2011</li> </ul>