

| ISH Principle 1 | | | | |
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| Criteria | | Indicator/Phase | | |
| 1.1 | Smallholders have the capacity to effectively manage their smallholder plot(s). | 1.1 E | Eligibility | Smallholders shall commit to participating in the capacity building programme developed by the Group Manager. |
| | | 1.1 MS A | Milestone A | Smallholders and their representative shall have undergone capacity building programme e.g. training(s) organised by group manager on farm business planning, operations and monitoring. The training includes: A) record keeping for production data (including inputs, cost, yields, use of labour, etc) B) record keeping for transaction data of FFB sales. (refer to the relevant topics under indicator A2.3 E) |
| | | 1.1 MS B | Milestone B | Smallholders shall manage smallholder plots effectively and maintain records of FFB production and sales of all FFB (i.e separate record for certified and non-certified, if any) from smallholder plots. |
| 1.2 | Smallholders implement Best Management Practices (BMP) on their plots. Procedural Note: RSPO to establish a list of minimum Best Management Practices for independent smallholders | 1.2 E | Eligibility | Smallholders shall commit to implementing relevant Best Management Practices (BMP) on their plots. |
| | | 1.2 MS A | Milestone A | Smallholders shall have completed training(s) on relevant Best Management Practices (BMP) that includes good agricultural practices (GAP). |
| | | 1.2 MS B | Milestone B | Smallholders and their representative shall have completed training(s) on relevant Best Management Practices (BMP) that includes good agricultural practices (GAP). |

| ISH Principle 2 | | | | |
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| Criteria | | Indicator/Phase | | |
| 2.1 | Smallholders have the rights to use the land in accordance with national, local or customary practices. | 2.1 E | Eligibility | Smallholders shall make available evidence of Rights to use the land or that they are in the process of obtaining recognition of the Rights. This shall include coordinates and maps of smallholders plots. |
| | | 2.1 MS A | Milestone A | Same as Eligibility |
| | | 2.1 MS B | Milestone B | Smallholders shall provide evidence of land ownership or, Rights to use the land and clearly demarcate the boundaries of smallholders plots. Smallholders shall maintain the demarcation, and only operate within the boundaries. |
| 2.2 | For existing plots, smallholders shall respect the Rights of communities over land. | 2.2 E | Eligibility | For existing plots, smallholders declare that they have acquired the smallholder plot without contravening the Rights of Communities over the land (if any). |
| | | 2.2 MS A | Milestone A | For existing plots, smallholders are trained on respecting the Rights of communities over smallholder plot. |
| | | 2.2 MS B | Milestone B | For existing plots, smallholders shall make available evidence of engagement with stakeholders and rights holder, if any. |
| 2.3 | Smallholders shall implement processes to manage conflict on land and resource use. | 2.3 E | Eligibility | Smallholder shall declare existing disputes on land and resources, if any, and commit to resolve them. |
| | | 2.3 MS A | Milestone A | Smallholder shall be trained on management of conflict on land and resources. |
| | | 2.3 MS B | Milestone B | Smallholder shall demonstrate that they are managing conflict on smallholder plot, where applicable. |
| 2.4 | Smallholder plots are not located within areas prohibited by national, regional, or local law, or as specified in National Interpretations, such as national park, forest, protected area and steep terrain | 2.4 E | Eligibility | Smallholders shall ensure that their smallholder plots are located outside areas prohibited by national, regional, or local law, or as specified in National Interpretations such as national park, forest, protected area and steep terrain. |
| | | 2.4 MS A | Milestone A | Same as Eligibility |
| | | 2.4 MS B | Milestone B | Same as Eligibility |
| 2.5 | For new plantings, smallholders shall not clear any land without obtaining FPIC from the Affected Communities. | 2.5 E | Eligibility | Smallholders commit to identify Affected Communities, if any, and conduct simplified FPIC process on areas of new plantings. |
| | | 2.5 MS A | Milestone A | Smallholders shall be trained on the simplified FPIC process on new plantings. |

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| | <p>Procedural Note The simplified FPIC process for smallholder shall be developed by RSPO. Compliance for Criteria 2.5 shall be inactive until the simplified FPIC process for smallholder is endorsed and adopted for implementation.</p> | 2.5 MS B | Milestone B | Smallholders shall conduct the simplified FPIC process where Affected Communities are found in areas of new planting. |
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| ISH Principle 3 | | | |
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| Criteria | | Indicator/Phase | |
| 3.1 | There shall be no forced labour in the smallholder plots. | 3.1 E | Eligibility Smallholders shall commit to not use forced labour, and commit to complete training on awareness and prevention of forced labour on their plots. Smallholder shall address and end forced labour on Smallholder plot from Eligibility stage, if any. Smallholders shall comply with legal requirements prescribed by national/state/provincial regulations when hiring Workers. |
| | | 3.1 MS A | Milestone A Smallholders shall complete training on awareness and prevention of forced labour including ILO's indicators on forced labour. |
| | | 3.1 MS B | Milestone B There shall be no evidence of forced labour on Smallholder plots. The following practices are prohibited, but not limited to: A) Payment of recruitment fees by workers B) Contract substitution C) Restrict worker's movement by locking them in worksite or accommodation D) Intentional isolating workers by denying them means of communication E) Physical and sexual violence F) Intimidation and threat G) Retention of identity and personal documents, including but not limited to passports H) Withholding of wages I) Debt bondage J) Involuntary and excessive overtime K) Lack of freedom of workers to resign L) Abusive working and living conditions |
| 3.2 | Smallholders shall not hire or exploit children in the operation at the smallholder plots. Assistance by children living in the Smallholder's | 3.2 E | Eligibility Smallholders shall commit to not use child labour in their plots. Smallholder shall also commit to complete training on prevention of child labour. Smallholder shall address and end child labour on Smallholder plot from Eligibility stage, if any. |

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| | household is acceptable on family farm under adult supervision and must not interfere with their education programmes. Children shall not be exposed to hazardous working conditions. | 3.2 MS A | Milestone A | Smallholders shall complete training on awareness and prevention of child labour. Training on child labour shall include, but not limited to: A) Child Labour Awareness 1. Compliance with the minimum age of workers and as defined by local, state, or national law, or international law in the absence of local, state or national laws. 2. Not exposing children to hazardous work. 3. Providing adult supervision of children on family farm and/or young workers on the Smallholder plots. 4. Ensuring the practice of children's right to education is unrestricted and respected |
| | | 3.2 MS B | Milestone B | Smallholders shall not use child labour in smallholder plots. The following conditions must be met when children living in Smallholder's household assisting in family farm or where young workers are hired in smallholder plots: A) must be under adult supervision B) must not interfere with their health, safety and education C) must not be exposed to hazardous working conditions |
| 3.3 | Smallholders shall ensure workers' (if any) be paid at least legal minimum wage | 3.3 E | Eligibility | Where there are workers at the smallholder plots, smallholders shall commit to pay at least legal minimum wage without discrimination against vulnerable groups, including women and migrant workers. |
| | | 3.3 MS A | Milestone A | Where there are workers at the smallholder plots, smallholders shall pay at least legal minimum wage (excluding overtime premiums) without discrimination against vulnerable groups, including women and migrant workers. |
| | | 3.3 MS B | Milestone B | same as MS A |
| 3.4 | Workers understand their rights, have access and without retaliation to file a complaint or grievance to the Group Manager or relevant third parties, including RSPO. | 3.4 E | Eligibility | Where there are workers at the smallholder plots, smallholders shall commit to respect the rights of workers to file a complaint or grievance without retaliation. |
| | | 3.4 MS A | Milestone A | Where there are workers at the smallholder plots, smallholders shall complete training on handling worker's complaint or grievance and socialise to workers their rights and the mechanism to file a complaint or grievance. |
| | | 3.4 MS B | Milestone B | Where there are workers at the smallholder plots, Smallholder shall ensure that the workers are aware of and have access to the complaint or grievance mechanisms without retaliation. |

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| 3.5 | Working conditions and facilities are safe and meet minimum legal requirements | 3.5 E | Eligibility | Smallholders shall commit to providing safe working conditions and facilities, based on the health and safety risk identification, conducted together with Group Manager. |
| | | 3.5 MS A | Milestone A | Smallholders shall complete training(s) on health and safety risks associated with farm work (including chemical use) and how to mitigate them. Smallholders shall ensure that workers and family or household members (if any) working at the smallholder plots, are able to demonstrate awareness of the same. |
| | | 3.5 MS B | Milestone B | Workers and family or household members, (if any) working at the smallholder plots, shall have access to safe working conditions, and facilities. based on health and safety risk identification, as follows, but not limited to: A) safe and adequate housing, where applicable B) basic first aid supplies C) appropriate Personal Protective Equipment (PPE) free of charge D) adequate drinking water E) access to sanitation facilities, where appropriate F) access to toilets |
| 3.6 | There is no discrimination, intimidation and harassment (including threats), sexual harassment, abuse and violence in smallholder plots. | 3.6 E | Eligibility | Smallholders shall commit to no discrimination, intimidation, harassment (including threats), sexual harassment, abuse and violence in smallholder plots. |
| | | 3.6 MS A | Milestone A | Smallholders shall complete training(s) on discrimination, intimidation and harassment (including threats), sexual harassment, abuse and violence and are aware of the need for a safe workspace. |
| | | 3.6 MS B | Milestone B | Workers shall be able to access the complaint or grievance mechanism as per 3.4 MS B, in the event there are incidents on discrimination, intimidation and harassment (including threats), sexual harassment, abuse and violence in smallholder plots. |

| ISH Principle 4 | | | | |
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| Criteria | | Indicator/Phase | | |
| 4.1 | High Conservation Value (HCVs) areas and High Carbon Stock (HCS) forests, in the smallholder plots, identified through the RSPO Simplified HCV Approach and Independent Smallholder - Land Use Risk Identification (IS-LURI) , are managed to ensure that they are maintained and/or enhanced. | 4.1 E | Eligibility | Smallholder shall commit to avoid development in and protect HCV areas and HCS forests, and to manage rare, threatened, or endangered (RTE) species, if any, based on the results of Land Use Change Analysis conducted in the pre-membership stage that is assisted by RSPO Secretariat. |
| | | 4.1 MS A | Milestone A | Smallholders and permanent workers, if any, shall complete training on management of HCV-HCS forests and the application of precautionary practices RSPO Simplified HCV Approach and IS-LURI and are aware of identified HCV/HCS, and RTE species and important ecosystems, if any. |
| | | 4.1 MS B | Milestone B | Smallholders shall implement precautionary practices to and-manage HCV areas and HCS forests, and protect-manage and maintain Rare, Threatened and Endangered (RTE) species, where applicable. |
| 4.2 | Where the existing smallholder plot has been planted and cleared after November 2005 or is on an area identified as HCS forest after November 2019 up to the eligibility period, a Remediation and Compensation Procedure (RaCP) process for smallholders is applicable. | 4.2 E | Eligibility | Smallholders shall provide information on all owned smallholder plots planted with oil palm and unplanted after November 2005 to Group Manager based on the results of Land Use Change Analysis conducted in the pre-membership stage that is assisted by RSPO Secretariat. |
| | | 4.2 MS A | Milestone A | Smallholder and group manager shall develop a remediation and compensation plan, if any, through a participatory process based on the Remediation and Compensation Procedure (RaCP) process for smallholders. |
| | | 4.2 MS B | Milestone B | Smallholder shall implement the approved remediation and compensation plan, if any, based on Remediation and Compensation Procedure (RaCP) process for smallholders, if any. |
| 4.3 | <p>Do any smallholders within the group have plans for new planting of oil palm? If no, SKIP If no plan on new planting, SKIP</p> <p>Since November 2019, new planting by independent smallholders, if any:</p> <ul style="list-style-type: none"> Do not replace any HCVs | 4.3 E | Eligibility | <p>If no plan on new planting, SKIP.</p> <p>Smallholders shall commit to provide information on all planned new planting including no new planting on HCVs or HCS forests, on steep slopes (more than 25 degrees or as in the NI), on peat until HCVs areas, and/or HCS forest are identified, restricted areas or protected by national laws, or riparian reserves (reference to A1.2.E, Annex XXX)</p> |

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| | <ul style="list-style-type: none"> Do not replace any HCS forests as defined by RSPO Simplified HCV Approach and IS-LURI Are not on steep slopes (more than 25 degrees or as in the National Interpretation) Are not on peat areas of any depth Are not located in restricted areas or protected by national laws Are not on riparian reserves areas | 4.3 MS A | Milestone A | For any new planting, before any land preparation commences , smallholder, with the support of and group manager, shall develop an integrated management plan through a participatory process to maintain or enhance HCVs as well as HCS forests after November 2019 , as identified by the RSPO Simplified HCV Approach and IS-LURI ; before any land preparation commences . |
| | | 4.3 MS B | Milestone B | For any new planting, smallholder and group manager shall have, and implement, an RSPO approved integrated management plan and share with those involved in the participatory process before any land preparation commences. |
| 4.4 | <p>Do any smallholders within the group have existing plots on peat? If no, SKIP</p> <p>For existing planting on peat, subsidence and degradation of peat soils are minimised by use of best management practices.</p> | 4.4 E | Eligibility | For existing planting on peat, smallholders shall commit to and minimising subsidence and degradation of peat soils according to as guided by the latest version of RSPO Smallholder Best Management Practices (BMPs) Manual for Existing Oil Palm Cultivation on Peat document . (reference A1.2.E, Annex XXX). Group Manager shall confirm presence of peat on existing plots within the smallholder plots. |
| | | 4.4 MS A | Milestone A | For existing planting on peat, smallholders and group manager shall have undergone training(s) and develop an action plan, together with the group manager, to minimise risk of fire, to apply BMPs for planting on peat and manage water systems in the certification unit, to apply peat best management practices as guided by according to the latest version of RSPO Smallholder BMP Manual for Existing Oil Palm Cultivation on Peat RSPO document . |
| | | 4.4 MS B | Milestone B | For existing plots on peat, smallholders and group manager shall implement the an action plan conducted by Group Manager according to to apply best management practices as guided by the latest version of RSPO Smallholder BMP Manual for Existing Oil Palm Cultivation on Peat RSPO document, RSPO document. including fire and water management, and monitoring of subsidence rate for existing planting on peat. |
| 4.5 | <p>Do any smallholders within the group have plans for replanting plots that are located on peat? If no, SKIP.</p> <p>Smallholder plots on peat are replanted only on areas with low risk of flooding or</p> | 4.5 E | Eligibility | Smallholders shall commit to providing information on all plans for replanting and commit that replanting will only be in areas with low risk of flooding or saline intrusion based on an RSPO approved flood risk assessment, in accordance with the latest version of RSPO ISH Flood Risk Assessment Template (reference A1.2.E, Annex XXX) |

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| | saline intrusion as demonstrated by a risk assessment. based on the latest version of RSPO approved flood risk assessment. | 4.5 MS A | Milestone A | For existing planting on peat, smallholders shall have undergone training(s) as organised by group manager on identification of future risks of flooding or saline intrusion based on the latest version of RSPO ISH Flood Risk Assessment Template approved flood risk assessment, and alternate land development strategies. |
| | | 4.5 MS B | Milestone B | Prior to Where there is replanting plan on peat, smallholders shall participate in risk assessment process conducted by group manager according to based on the latest version of RSPO ISH Flood Risk Assessment Template approved flood risk assessment. Where there are plots identified as high risk, smallholders shall halt any replanting programme and adopt alternate land development strategies strategy, where applicable. |
| 4.6 | Fire is not used on the smallholder plots for land preparation or pest and disease management control, and no open burning for waste management within the smallholder plots. For country-specific implementation, National Interpretation should be used as a reference. | 4.6 E | Eligibility | Smallholders shall commit to not using fire for land preparation, or pest and disease management unless in exceptional circumstances control, and no open burning for waste management within the smallholder plots in the farm (reference A1.2.E, Annex XXX). The Group Manager shall record evidence of prior burning by members joining the group. |
| | | 4.6 MS A | Milestone A | Smallholders shall not have physical evidence of using use fire for land preparation, or pest and disease management control, and no open burning for waste management within the smallholder plots (after Eligibility). Smallholders shall have undergone training(s) as organised by group manager. The training shall include: A) alternatives to fire for land preparation and farm waste management (where appropriate and possible) B) alternatives to fire for pest management C) fire prevention and how to respond to and manage fires in their community and village. D) list of relevant national and local agency i.e. Fire and Rescue Department / Fire and Rescue Service, local government authorities, national disaster management agencies (if any) and their roles in regulations, and strategies aimed at preventing and managing fire incidents. |

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| | | 4.6 MS B | Milestone B | <p>Smallholders shall not use fire for land preparation, or pest and disease management control, and no open burning for waste management within the smallholder plots (after Eligibility).</p> <p>For pest and disease management, fire may be used only in exceptional circumstances, where no other effective measures exist and with prior approval of relevant authority.</p> |
| 4.7 | Riparian reserves are identified and managed to ensure maintenance and/or improvement, in accordance with national legislation or and as guided by the latest version RSPO document of RSPO Best Management Practices (BMPs) Manual for Management and Rehabilitation of Riparian Reserves . | 4.7 E | Eligibility | <p>Smallholders shall commit to no new planting in riparian reserves to identify and manage riparian reserves to ensure its maintenance and/or improvement in accordance with national legislation or as guided by the latest version of RSPO Best Management Practices (BMPs) Manual for Management and Rehabilitation of Riparian Reserves RSPO document, whichever standard is higher shall prevail. Group Manager shall identify riparian reserves within the smallholder plots.</p> |
| | | 4.7 MS A | Milestone A | <p>Where riparian reserves exist within and/or along the boundaries of the smallholder plots, smallholders shall have undergone training(s) as organised by group manager and demonstrate awareness of riparian reserve management. Smallholders shall develop an action plan, with the support of group manager to maintain and/or enhance the riparian reserves.</p> |
| | | 4.7 MS B | Milestone B | <p>Where riparian reserves exist within and/or along the boundaries of the smallholder plots, smallholders shall implement the action plan developed by the, with the support of Group Manager to maintain and/or enhance the riparian reserve, in accordance with national legislation and the latest version of RSPO Best Management Practices (BMPs) Manual for Management and Rehabilitation of Riparian Reserves, whichever standard is higher shall prevail.</p> |

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| 4.8 | Pesticides are used in ways that do not endanger the health and safety of workers, family, communities and/or the environment. | 4.8 E | Eligibility | <p>Smallholders shall commit to perform Best Management Practices (BMP) for pesticides and phasing out paraquat and prohibited pesticides by MS B, with the following actions:</p> <ol style="list-style-type: none"> 1) immediately stop purchasing these pesticides 2) Phase out use of remaining stock by MS A 3) provide information for the group manager to keep record of pesticide purchase and use 4) has proper management in handling pesticide containers <p>The prohibited pesticide shall include prohibited pesticides:</p> <ol style="list-style-type: none"> A) Categorised under World Health Organization Class 1A or 1B; B) Meeting the criteria for carcinogenicity Categories 1A and 1B, mutagenicity Categories 1A and 1B, or reproductive toxicity Categories 1A and 1B according to the Globally Harmonized System on Classification and Labeling of Chemicals (GHS); C) Listed by the Stockholm or Rotterdam Conventions; and/or D) Restricted or prohibited under national regulations. |
| | | 4.8 MS A | Milestone A | <p>Smallholders shall have undergone training(s) as organised by group manager on BMP for pesticides and prohibited pesticides. The training shall include:</p> <ol style="list-style-type: none"> A) Identify list of safe chemical use, record keeping of pesticide, handling, storage and safe disposal of pesticide and pesticide container B) Awareness on the risks for pregnant and breastfeeding women and young workers; C) Prohibited pesticides that are categorized as World Health Organization (WHO) Class 1A or 1B, meet the criteria for carcinogenicity Categories 1A and 1B, mutagenicity Categories 1A and 1B, or reproductive toxicity Categories 1A and 1B according to the Globally Harmonized System on Classification and Labeling of Chemicals (GHS), or are listed by the Stockholm or Rotterdam Conventions, national regulations, or paraquat D) The use of appropriate personal protective equipment (PPE) to handle pesticides |

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| | | 4.8 MS B | Milestone B | Smallholders shall implement Best Management Practices (BMPs) for all pesticide use and end the use of prohibited pesticides. The implementation of BMP on pesticide use including: A) pesticide and pesticide container handling, storage and disposal; B) prohibiting use of pesticides by pregnant and breastfeeding women and young workers; C) elimination of paraquat and pesticides listed by WHO Class 1A or 1B, Categories 1A and 1B under GHS , the Stockholm or Rotterdam Conventions, unless when authorised by relevant authorities for pest outbreaks. |
| 4.9 | Pests and diseases, weeds and invasive introduced species are managed using appropriate techniques, including Integrated Pest Management (IPM) | 4.9 E | Eligibility | Smallholders shall commit to managing pests and diseases, weeds and invasive introduced species, if any, using appropriate techniques, including Integrated Pest Management (IPM). |
| | | 4.9 MS A | Milestone A | Smallholders shall have undergone training(s) as organised by group manager and demonstrate awareness on Best Management Practices (BMPs) for managing pests and diseases, weeds and invasive introduced species, if any, using appropriate techniques, including Integrated Pest Management (IPM), and safe chemical use. |
| | | 4.9 MS B | Milestone B | Smallholders shall implement Integrated Pest Management (IPM) approaches to manage pests and diseases, weeds and invasive introduced species , if any, to minimise use of pesticides and herbicides at the smallholder plots. |

| Criteria | | Indicator/Phase | | |
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| A1 | Smallholders are established as an independent legal entity. | A1.1 E | Eligibility | The smallholder group shall appoint a Group Manager. |
| | | A1.1 MS A | Milestone A | Same as Eligibility |
| | | A1.1 MS B | Milestone B | Same as Eligibility |
| | | A1.2 E | Eligibility | The Group Manager shall have and maintain documented evidence of the smallholder group's RSPO membership that include: (i) Legal formation (if necessary as per country of register requirements) (ii) Fair and transparent decision-making and governance (iii) Additional documents per requirements for group formation and management, where applicable. |
| | | A1.2 MS A | Milestone A | Same as Eligibility |
| | | A1.2 MS B | Milestone B | Same as Eligibility |
| | | A1.3 E | Eligibility | The Group Manager shall establish group membership requirements in consultation with group members and implement the requirements for smallholders participating as group members. |
| | | A1.3 MS A | Milestone A | Same as Eligibility |
| | | A1.3 MS B | Milestone B | Same as Eligibility |
| | | A1.4 E | Eligibility | The Group Manager shall ensure all members understand the group's membership requirements and the commitments stated in the Smallholder Declaration. |
| | | A1.4 MS A | Milestone A | Same as Eligibility |
| | | A1.4 MS B | Milestone B | Same as Eligibility |
| | | A2 | The group manager is responsible for managing the group for certification. | A2.1 E |
| A2.1 MS A | Milestone A | | | The Group Manager shall implement the Internal Control System (ICS) on all members. |
| A2.1 MS B | Milestone B | | | Same as MS A |
| A2.2 E | Eligibility | | | The Group Manager shall demonstrate understanding of the standard requirements and have access to sufficient resources to manage the group. |
| A2.2 MS A | Milestone A | | | The Group Manager shall have sufficient capacity, including resources, to implement the standard requirements. |
| A2.2 MS B | Milestone B | | | Same as MS A |

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| | | A2.3 E | Eligibility | <p>The Group Manager shall establish and make accessible capacity building programme for all members coverthe following:</p> <ul style="list-style-type: none"> i. RSPO Independent Smallholder(ISH) Standard ii. applicable requirement on ISH in RSPO Certification Systems for P&C and RSPO ISH Standard iii. Best management practices guided by the latest RSPO documents iv. RSPO IT Platform v. record keeping requirement on segregation of certified and non-certified FFB production and sales vi. overview of human rights and Human Rights Due Diligence vii. other applicable requirements |
| | | A2.3 MS A | Milestone A | <p>The Group Manager shall implement capacity building programme based on phased approach for all members that covers the following;</p> <ul style="list-style-type: none"> i. RSPO Independent Smallholder(ISH) Standard ii. applicable requirement on ISH in RSPO Certification Systems for P&C and RSPO ISH Standard iii. Best management practices guided by the latest RSPO documents iv. RSPO IT Platform v. record keeping requirement on segregation of certified and non-certified FFB production and sales vi. overview of human rights and Human Rights Due Diligence |
| | | A2.3 MS B | Milestone B | <p>The Group Manager shall ensure all members have attended training and able to demonstrate understanding of the following:</p> <ul style="list-style-type: none"> i. RSPO Independent Smallholder(ISH) Standard requirement ii. Best management practices guided by the latest RSPO documents iii. record keeping requirement on segregation of certified and non-certified FFB production and sales iv. other applicable requirements |
| B1 | Smallholder group Internal Control System (ICS) shall contain documented policies, procedures and group management requirements. | B1.1 E | Eligibility | The smallholder group Internal Control System (ICS) shall contain operational management on internal audit procedures. |
| | | B1.1 MS A | Milestone A | The Group Manager shall implement the Internal Control System (ICS) including conducting an annual internal audit based on a minimum sample of 'x' smallholder members where $x = (\sqrt{y}) \times (2.5) \times (1.5)$, where y is the total number of smallholders in the group. |

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| | | B1.1 MS B | Milestone B | The Group Manager shall implement the Internal Control System (ICS) including conducting an annual internal audit based on a minimum sample of 'x' smallholder members where $x = (\sqrt{y}) \times (2.5) \times (2)$, where y is the total number of smallholder in the group. |
| | | B1.2 E | Eligibility | The Group Manager shall have and maintain information as required in the Smallholder Declaration and relevant documentations (where applicable) from all members. |
| | | B1.2 MS A | Milestone A | Same as Eligibility |
| | | B1.2 MS B | Milestone B | Same as Eligibility |
| C1 | The smallholder group business plan is established with the participation and contribution of the group members. | C1.1 E | Eligibility | The Group Manager shall establish a group business plan with the participation and contribution of the members. The business plan shall includes the following: i. production and income forecasting based on historical records ii. expansion plan iii. replanting plans iv. FFB production cost v. operational cost |
| | | C1.1 MS A | Milestone A | The Group Manager shall implement the group business plan and review it every two years |
| | | C1.1 MS B | Milestone B | The Group Manager shall implement the group's business plan and assess the group's ability to support itself financially, with results according to the business plan. The group business plan shall be reviewed every two years |
| C2 | The smallholder group Internal Control System (ICS) is integrated with the group's management plan | C2.1 E | Eligibility | The Group Manager shall establish a group management plan and group management plan contain the following: i. capacity building programme including training(s) to improve farm productivity and understanding of the group members ii. approach to strengthen group relationship within the RSPO supply chain iii. continuous improvement plan |
| | | C2.1 MS A | Milestone A | The Group Manager shall ensure the implementation of the group management plan by the group members and review it every two years |
| | | C2.1 MS B | Milestone B | Same as MS A |
| D1 | The smallholder group develop and implement procedure(s) and system for tracking of FFB production | D1.1 E | Eligibility | The Group Manager shall develop and implement procedure(s) and system to keep track of the monthly FFB production and sales of certified volumes of the smallholder group, including traceability to smallholder plots and buyers (e.g mill and trader). |

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| | (i.e separate record for certified and non-certified, if any) by the group members. | D1.1 MS A | Milestone A | The Group Manager shall maintain the monthly FFB production and sales of certified volumes of the group, including traceability to smallholder plots and buyers (e.g mill and trader). |
| | | D1.1 MS B | Milestone B | Same as MS A |
| | | D1.2 E | Eligibility | The Group Manager shall establish and implement a documented procedure to monitor the actual FFB production. |
| | | D1.2 MS A | Milestone A | The Group Manager shall monitor the implementation of the documented procedure to monitor the actual FFB production (i.e. separate record for certified and non-certified, if any) of all group members to ensure no oversell of RSPO credits in RSPO IT Platform. |
| | | D1.2 MS B | Milestone B | The Group Manager shall monitor the implementation of the documented procedure to monitor the actual FFB production (i.e. separate record for certified and non-certified, if any) and sales of all group members through physical and/or RSPO Credits in RSPO IT Platform to ensure no oversell of FFB Certified Volume |
| D2 | The group has a procedure and system for premium distribution | D2.1 E | Eligibility | The Group Manager shall established a documented mechanism of the group financial gain (i.e. premium) distribution, with the participation of group members. |
| | | D2.1 MS A | Milestone A | The Group Manager shall implemented the agreed documented mechanism of the group financial gain (i.e. premium) distribution. |
| | | D2.1 MS B | Milestone B | Same as MS A |