

MSP0 CERTIFICATION SUMMARY REPORT

MPOB -SPOC B3 JUGRA

SURVEILLANCE 12

Date: 21/10/2019

TUV NORD (Malaysia) Sdn Bhd
No. 9F-1A, 9th Floor, Tower 2 @ PFCC
Jalan Puteri 1/2, Bandar Puteri Puchong
47100 Puchong, Selangor.
Phone: +603 8600 4031/4032
Fax: +603 8600 4550

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



Table of Contents

1		
1.	INTRODUCTION	4
1.1.	Objective	4
1.2.	Scope	4
1.3.	Appointment & Qualification of Audit Team Members	4
2.	METHODOLOGY.....	8
	Table 2-1: List of Sampled Independent Smallholders	9
3.	ORGANISATION INFORMATION	11
4.	CERTIFICATION ASSESSMENT	19
4.1.	Annual surveillance audit 12	19
4.2.	Stakeholders' Consultation	19
4.3.	Summary of Assessment	21
	Principle and Criteria Assessment Summary	21
4.4.	Status of Non-Conformities Previously Identified	30
4.5.	Detail of Audit Findings in last Audit	30
	There are no non-conformity raised during last surveillance audit.	30
4.6.	Detail of Audit Findings Identified During This Audit	30
5.	CONCLUSION	33
6.	RECOMMENDATION	34
7.	LIST OF INTERVIWEES	35
	Table 7-1: List of Interviewed Persons, Observers and Smallholders	35
	Distribution / Confidentiality / Rights of ownership / Limitations / Responsibilities / Audit Objectives	36
	Annex / Enclosures	36

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



ABBREVIATIONS

CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
FFB	Fresh Fruit Bunch
GAP	Good Agriculture Practices
GPS	Global Positioning System
HBV	High Biodiversity Value
IPM	Integrated Pest Management
ISO	International Standard Organisation
LKN	Latihan Khidmat Nasihat
MPOB	Malaysian Palm Oil Board
NC	Non Conformity
OSH	Occupational Safety and Health
P&C	Principle and Criteria
PPE	Personal Protective Equipment
RTE	Rate, Threatened and Endangered
SA8000	Social Accountability 8000
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
SPOC	Sustainable Palm Oil Cluster
WHO	World Health Organization

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



1. INTRODUCTION

MPOB has commissioned TÜV NORD (Malaysia) Sdn Bhd to conduct surveillance audit for its independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

1.1. Objective

The objective of this audit is to assess the MPOB SPOC B3 Jugra as group manager managing the independent smallholders by an independent certification body. The aim of this surveillance audit is assessed on the compliance of the standard by MPOB SPOC B3 Jugra.

1.2. Scope

The certification is based on the documentation established by MPOB Cawangan SPOC B3 Jugra in managing the independent smallholders' scheme.

The supporting documents are provided to the audit team as well as information received by means of interviews and background investigation.

The documents and information are reviewed against the requirements and criteria mentioned below. TÜV NORD has employed a risk-based approach in the verification, focusing on the identification of significant risks and reliability of the monitoring and reporting.

The assessment is carried out on the basis of the MS 2530-2:2013: Part 2: General principles for independent smallholders.

The following references are used as part of the assessment; the compliance of the requirements out of the guidelines applied was checked.

1. Kod Amalan Baik (GAP) Pekebun Kecil, Malaysia Palm Oil Board
2. Guidelines for Development of a Standard Operating Procedure for Oil Palm Cultivation on Peat.
3. Malaysian Sustainable Palm Oil Part 2: General Principles for Independent Smallholders Audit Guidance.

1.3. Appointment & Qualification of Audit Team Members

The audit team appointed consists of the team leader and one team member. The team contribute to the review of documents, assessment of the project activity and preparation of this report.

Qualification of the Lead Auditor: Mohamad Norhisham Bin Mohd Salleh

Requirement	Qualifications
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology;	Graduate in Applied Science (Major in Agrobiology).

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



Requirement	Qualifications
vi) Business Management; or vii) Other relevant related fields	
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	5 years working experience in palm oil estates.
Successfully completed MS 2530 series of standards training	Successfully completed MS2530 series training,
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) mandays under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.	Qualified as lead auditor for MSPO scheme. Conducted 15 mandays as trainee lead auditor under supervision.
A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia, English and/ or any other local language.	Able to communicate in Bahasa Malaysia and English.
Field working experience in the palm oil sector, or demonstrable equivalent	5 years working experience in palm oil estates.
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	5 years working experience in palm oil estates.
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Auditor for RSPO and MSPO scheme. Completed successfully ISO 45001 LA course.
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes	Successfully completed SA 8000 Basic training and auditor for RSPO and MSPO schemes
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Successfully completed ISO 14001 LA course and auditor for RSPO and MSPO scheme.

Qualification of Team Members

Requirement	Assessor	Qualification	Compliance
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture;	Pui Ling Wui, Sheron	Bachelor's in medical science	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board

Certifying Unit: MPOB – SPOC B3 Jugra

Client Number: 92-067

Audit Type: Annual Surveillance Audit 12



Requirement	Assessor	Qualification	Compliance
ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields			
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	Pui Ling Wui, Sheron	Qualified MSPO auditor. Have been conducting audit for both MSPO and RSPO	Yes
Successfully completed MS 2530 series of standards training	Pui Ling Wui, Sheron	Successfully complete MS2530 series LA training.	Yes
Conducted a minimum six (6) on-site audits for a total of at least 20 mandays of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes.	Pui Ling Wui, Sheron	Qualified as auditor base on audit log. Conducted audit more than 20 mandays and more than six difference onsite.	Yes
A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia, English and / or any other local language.	Pui Ling Wui, Sheron	Able to communicate in Bahasa Malaysia, Chinese and English.	Yes
Field working experience in the palm oil sector, or demonstrable equivalent	Pui Ling Wui, Sheron	Qualified MSPO auditor. Have been conducting audit for both MSPO and RSPO	Yes
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Pui Ling Wui, Sheron	Qualified as auditor for MSPO scheme	Yes
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Pui Ling Wui, Sheron	Successfully completed ISO 45001:2018 Lead Auditor course.	Yes
Worker welfare issues and social auditing experience, for example with	Pui Ling Wui, Sheron	Successfully completed Basic SA 8000 training.	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board

Certifying Unit: MPOB – SPOC B3 Jugra

Client Number: 92-067

Audit Type: Annual Surveillance Audit 12



Requirement	Assessor	Qualification	Compliance
SA8000 or related social or ethical accountability codes		Qualified as auditor for MSPO scheme	
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Pui Ling Wui, Sheron	Successfully completed ISO 14001:2015 Lead auditor course and auditor for MSPO scheme	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



2. METHODOLOGY

The audit approach consists of the following steps:

- Contract review;
- Appointment of team members and reviewer / certifier;
- Contact client for relevant documentation according to the applicable MSPO standards;
- Audit planning;
- Background investigation, desk review of submitted documents;
- On-site assessment, inspections, interviews with operational personnel, stakeholders and its contractors; review of documentation;
- On-site reporting
- Resolution of non-conformance (NC) (if any)
- Draft audit reporting
- Technical review
- Final audit reporting
- Peer review
- Address Peer Review Comments (if any)
- Certifying, final approval and issuance of certificate.

Surveillance Audit:

Surveillance audit is conducted on 19/08/2019 to 21/08/2019 covers the following activities but not limited to below:

- Onsite visit, observations and inspections of farms management and activities;
- Interview smallholders;
- Reviewed revised and updated documentation established and implemented;
- FFB production records;
- Training records;
- Land titles and land application approvals;
- Work plans established;
- Stakeholders consultation meeting;
- Review and closed out of observations raised during stage 1 audit;
- Assessment reporting;

For list of personnel participated in the audits refer attendance sheet and Table 7-1.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



On-site Assessment

The audit of the smallholders is conducted according to the MS 2530-2:2013 Part 2 for Independent Smallholders.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of stakeholders, smallholders, SPCO officers, review of documentation and data.

MSPO guidance documents are used to guide the collection of information. Any comments from external stakeholders were considered in the assessment.

For this certification audit, the selected independent smallholders are based on the formula $S = \sqrt{rn}$ where S = sample size and n = number of group members which is in accordance to MSPO certification procedure.

The group of smallholders consists of 263 new members and 90 old members.

Based on the formula, the sample size $S = \sqrt{263} = 16.22$ for new members, and $S = \sqrt{90} = 9.48$ are old members. Therefore, round up to next integral the total of new smallholders 17 and old members are 10. Thus, a total of 27 smallholders selected for the onsite assessment and inspection listed in Table 2-1 below:

Table 2-1: List of Sampled Independent Smallholders

Name of independent smallholders	Specific Address / site
Lee Sor Luan	2°49'59.0"N 101°29'14.4"E
Lee Chean Huat	2°49'57.9"N 101°29'14.3"E
Lee Kim Wah	2°49'56.6"N 101°29'14.4"E
Azman Bin Basarudin	2°52'36.8"N 101°30'54.4"E
Tee Chew Loon	2°50'56.4"N 101°34'21.4"E
Lee Nee Kah	2°49'54.8"N 101°29'14.5"E
Biah Anak Idris	2°49'45.6"N, 101°22'18.3"E
Amai Binti Bujen	2°49'43.9"N, 101°22'13.6"E
Abas Anak Pat	2°50'26.5"N, 101°21'11.0"E
Esah Anak Mail	2°50'28.6" N 101°21'09.3"E
Huang Soon Tiew	2°50'25.1"N, 101°30'49.0"E
Leong Geck Leng	2°52'11.8"N, 101°32'24.4"E

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



Name of independent smallholders	Specific Address / site
Shanmugam A/L Kasinathan	2°46'52.7"N, 101°33'18.4"E
Ng Kia	2°47'41.4"N 101°33'53.1"E
Yunos Bin Jantan	2°54'39.4" N 101°30'53.4" E
Sarim Bin Sarbani	2°53'44.2"N 101°31'33.7"E
Suresh A/L Mathurai	2°47'20.6" N 101°33'42.4" E
Mohd Ansar Bin Adnan	2°47'40.5"N 101°33'17.3" E
Harry Lee Bin Lee Kee Chye	2°58'48.0"N 101°35'20.5" E
Mohd Yusaff Bin Sinong	2°47'13.0"N 101°32'35.0"E
Soo Yeow Hock	2°47'53.3"N 101°34'53.2"E
Samsul Anak Senin	2°54'35.9"N, 101°35'24.6"E
Ramlah Bte Man	2°54'44.4" N 101°35'24.6"E
Jalina Bte Yelong	2°54'51.0"N, 101°35'20.0"E
Kemuja A/L Chukin	2°54'50.3"N, 101°35'20.5"E
Sani Bin Senin	2°54'46.6"N 101°35'22.7"E
Rokiah Bte Man	2°54'45.0"N, 101°35'24.2"E

Non-conformance:

On the basis of the desk review, evidences presented during the audits as well as from the onsite visits non-conformance (NC) Major, Minor and Opportunity for Improvements (OFI) may be raised during the audit.

Major non-conformance shall be addressed and responded with 60 days from closing date of audit. For minor non-conformances action plan to be submitted within 30 days from closing date of audit for review and acceptance. Implementation of Minor NC will be review and verify during the next audit.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



3. ORGANISATION INFORMATION

MPOB Cawangan SPOC B3 Jugra, is a branch of MPOB located at Banting, Selangor, to provide technical support as well as develop the independent smallholders' scheme around the Kuala Langat district.

The SPOC is managed by a group manager and supported by a team officers to manage the cluster providing technical support, estate management skills and training.

The SPOC office is located at No 14, tingkat 1, Jalan Cemerlang 2, Pusat Perdagangan Banting, 42700, Banting, Selangor.

The locations for the smallholders are in Jugra area as shown in the below maps.

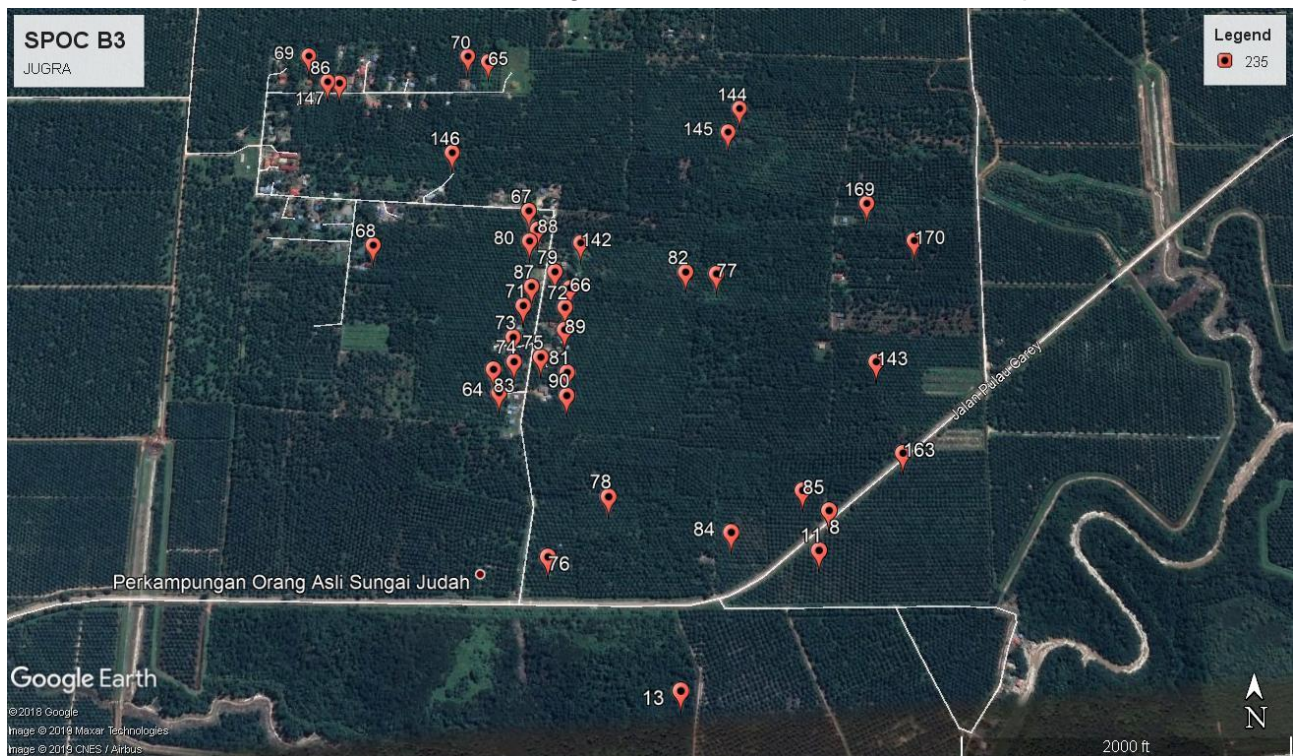


Figure 1: Smallholders area

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



Figure 2: Smallholder areas.

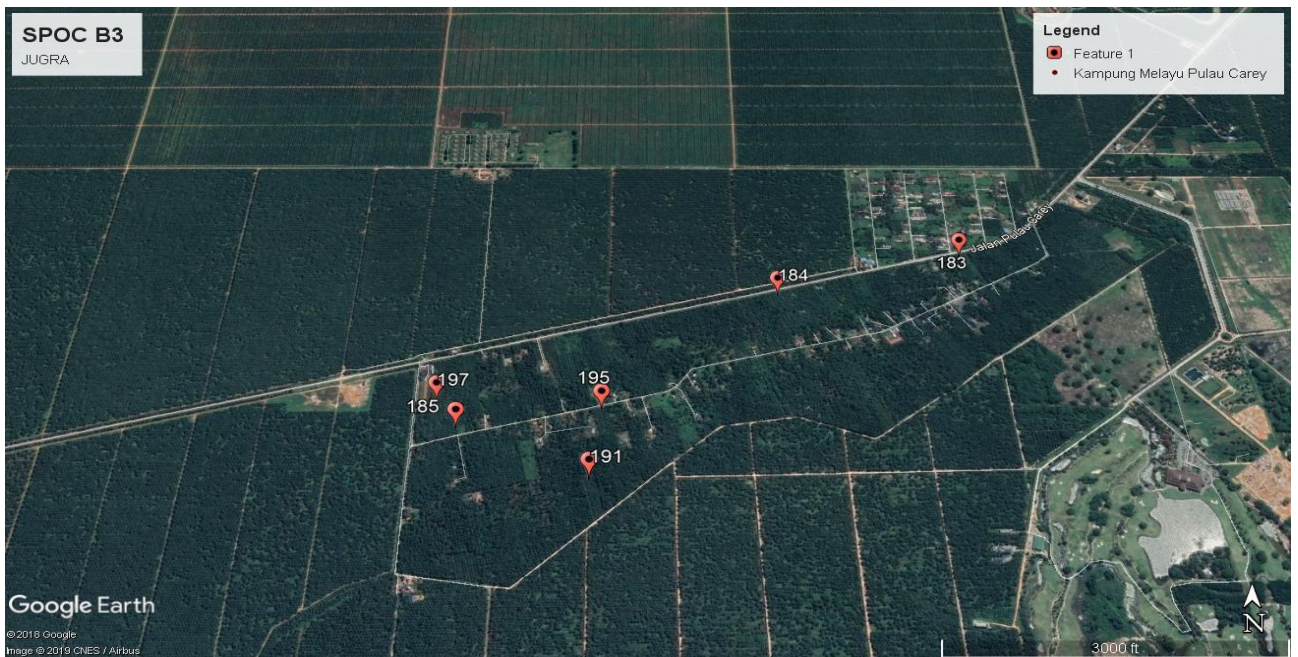


Figure 3: Smallholder areas

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12

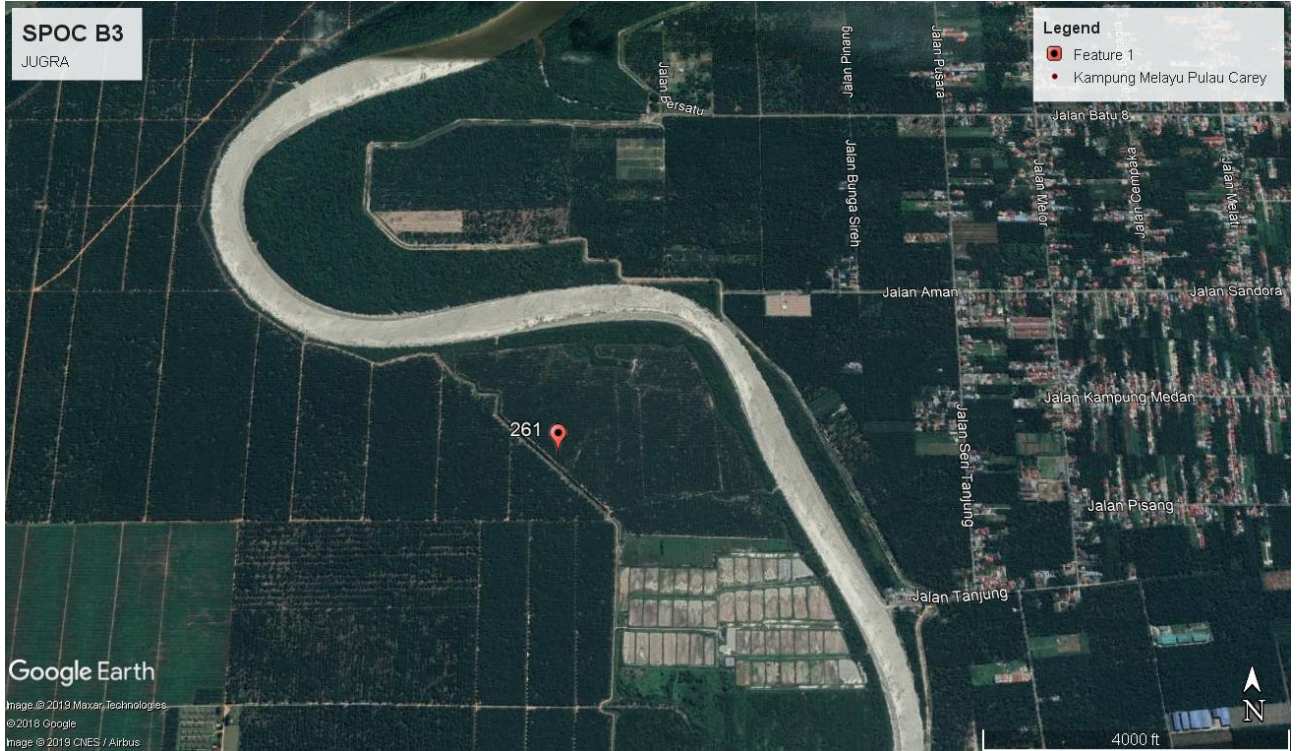


Figure 4: Smallholder areas.

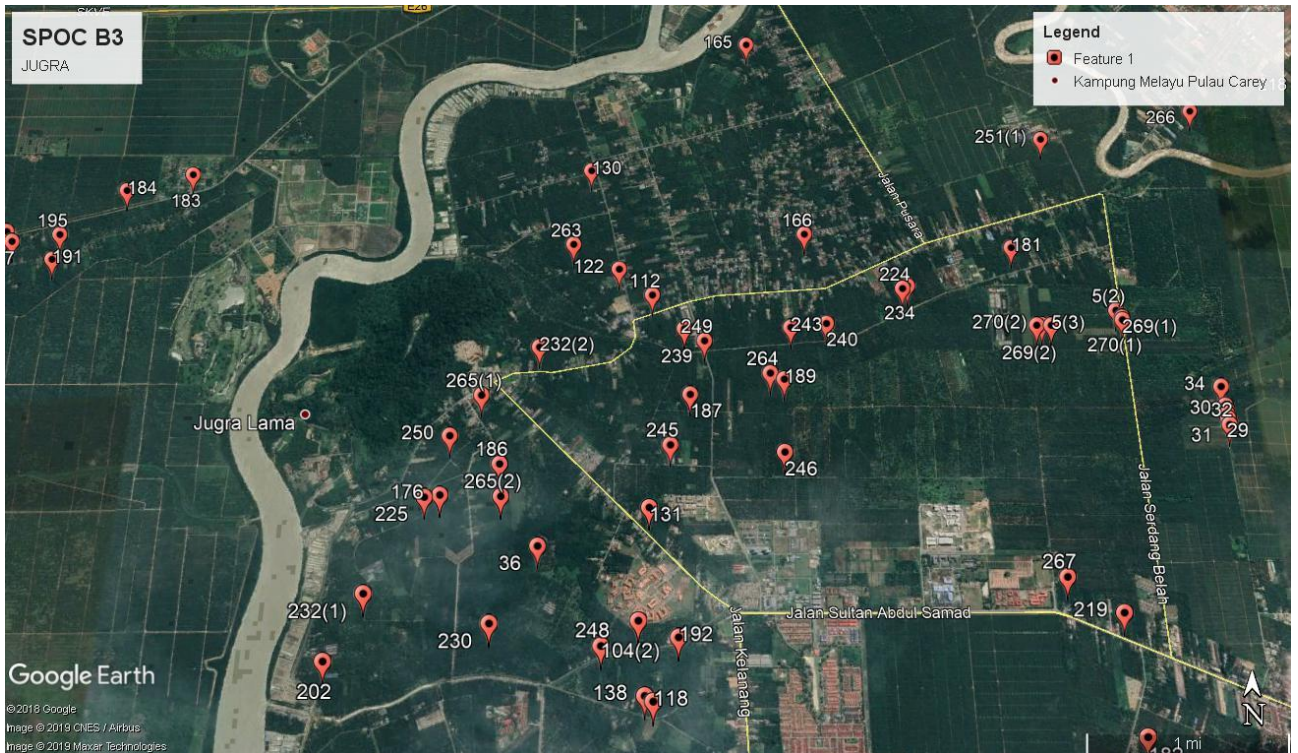


Figure 5: smallholder areas.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12

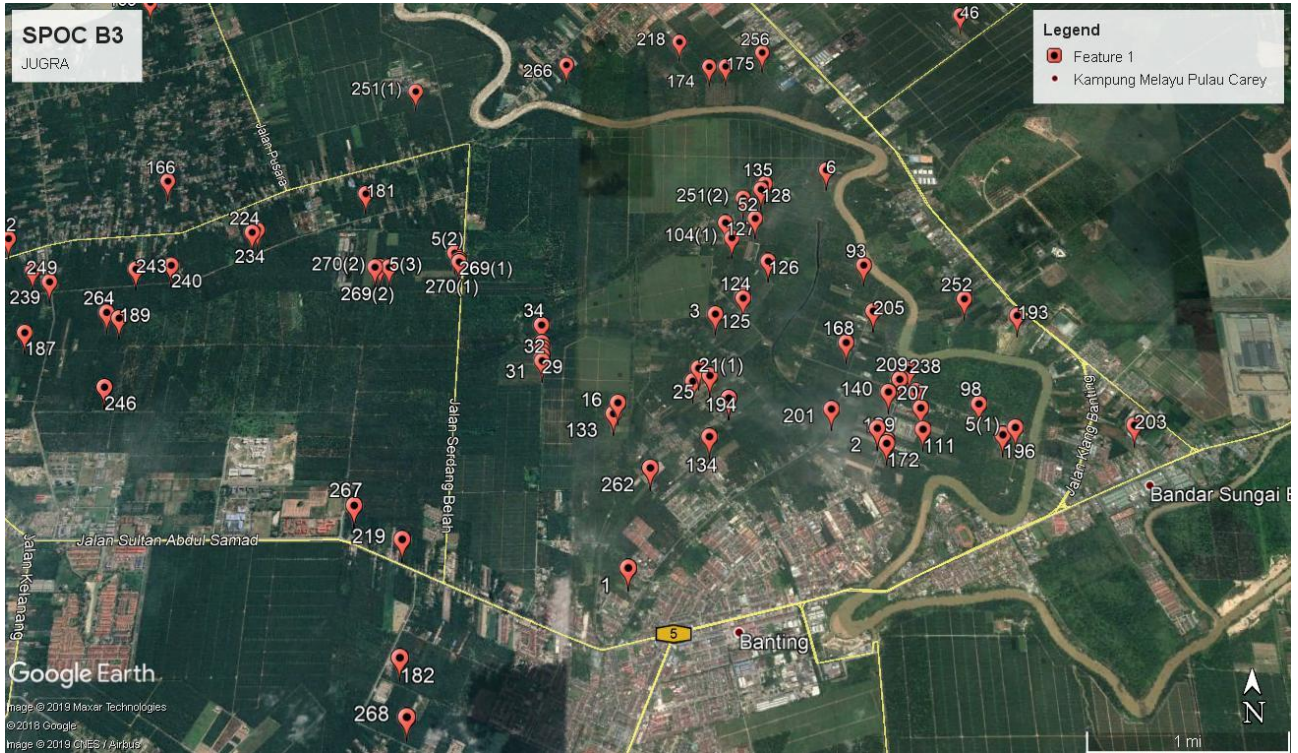


Figure 6: Smallholder areas.

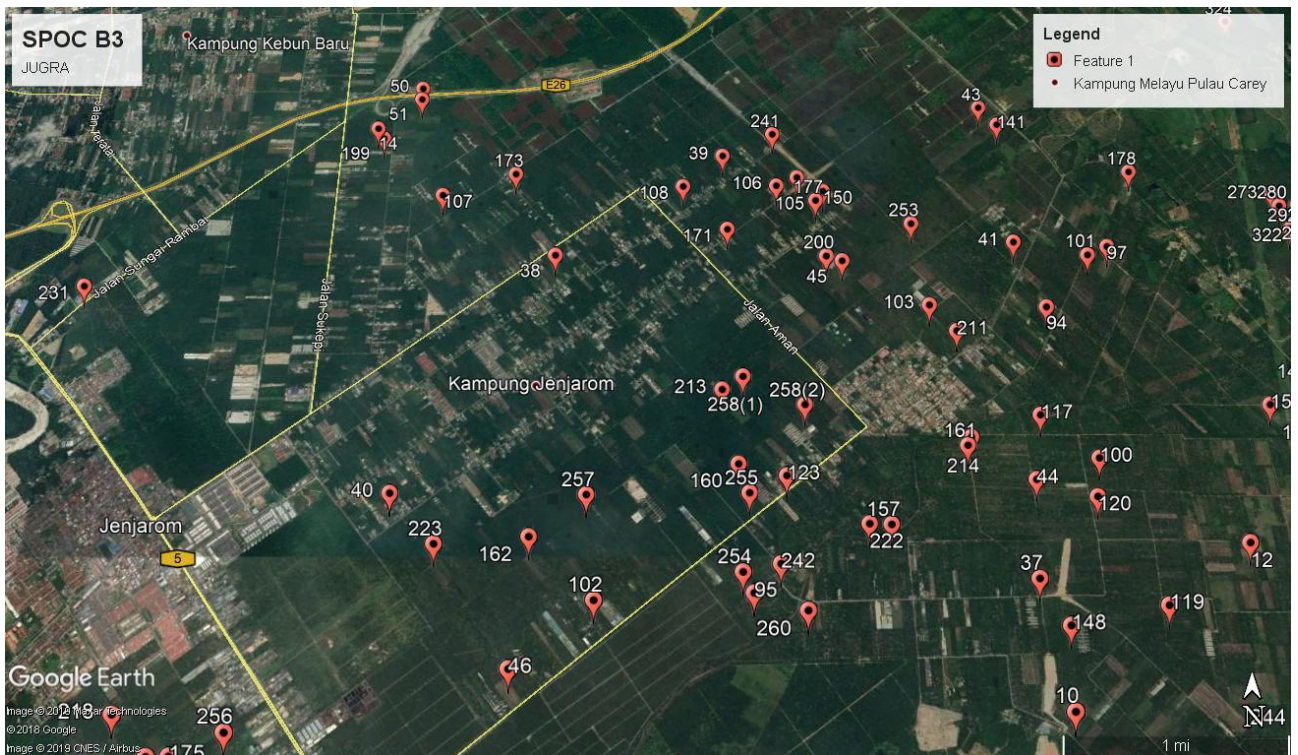


Figure 7: smallholders areas.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12

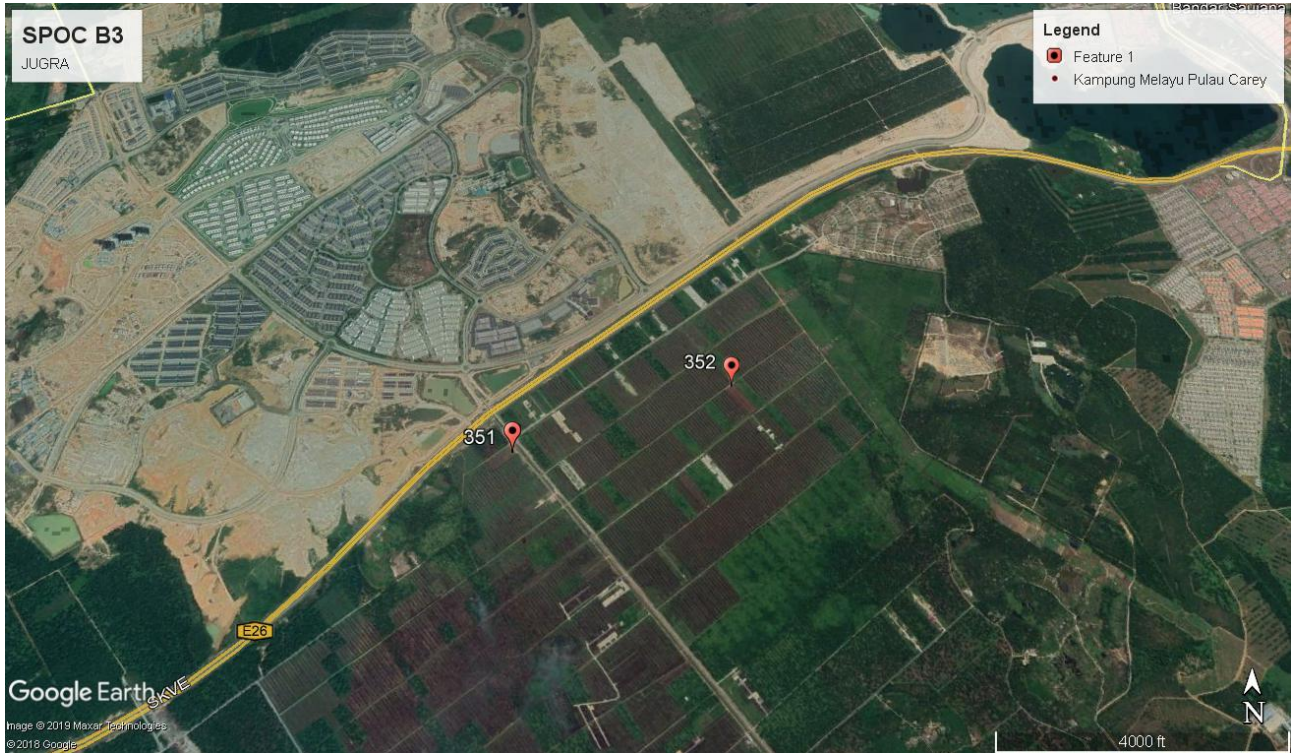


Figure 8: Smallholders areas.



Figure 9: Smallholders areas.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



Figure 10: Smallholders areas.

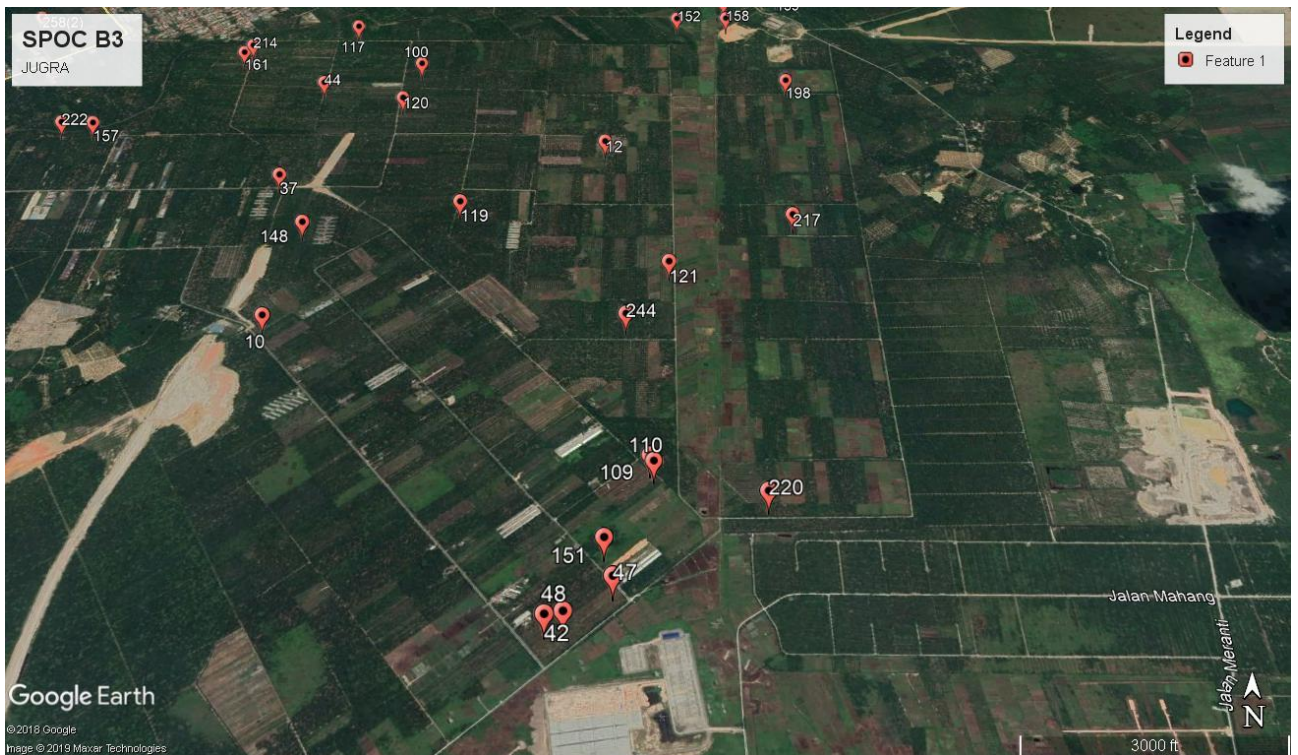


Figure 11: Smallholder areas.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12

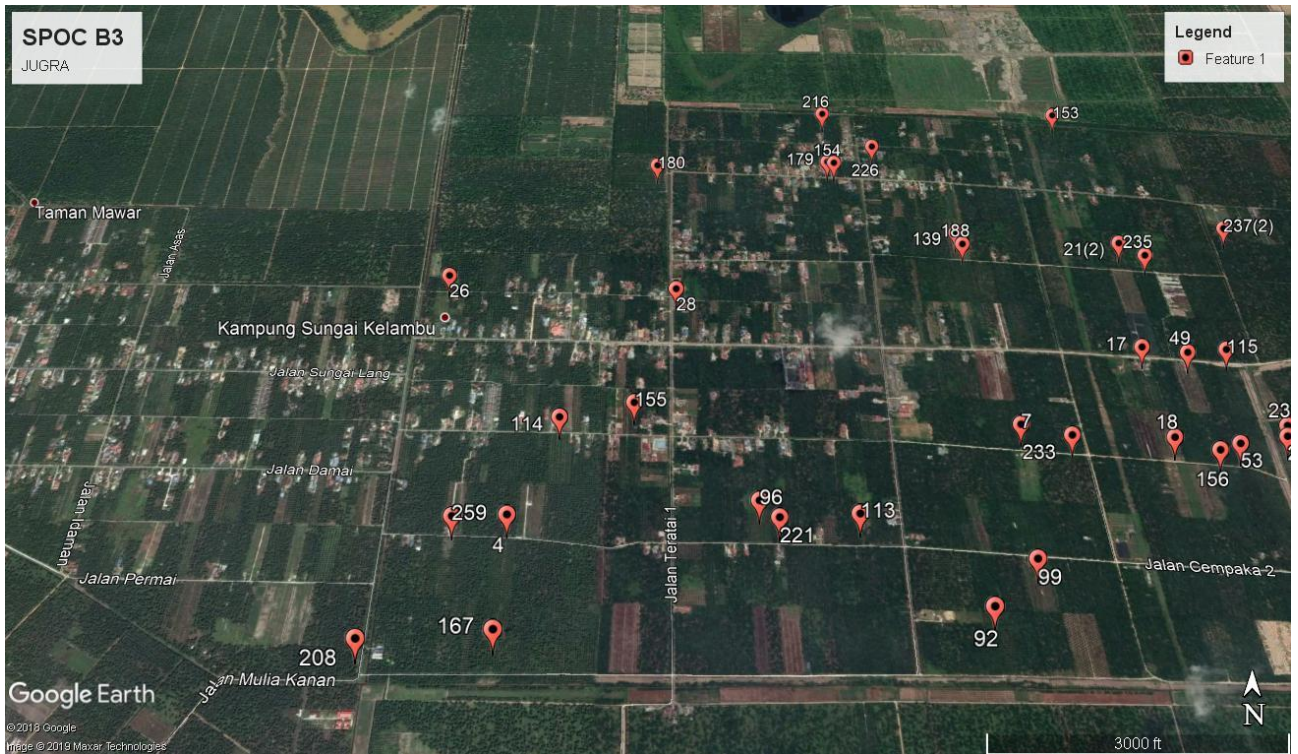


Figure 12: Smallholder areas.

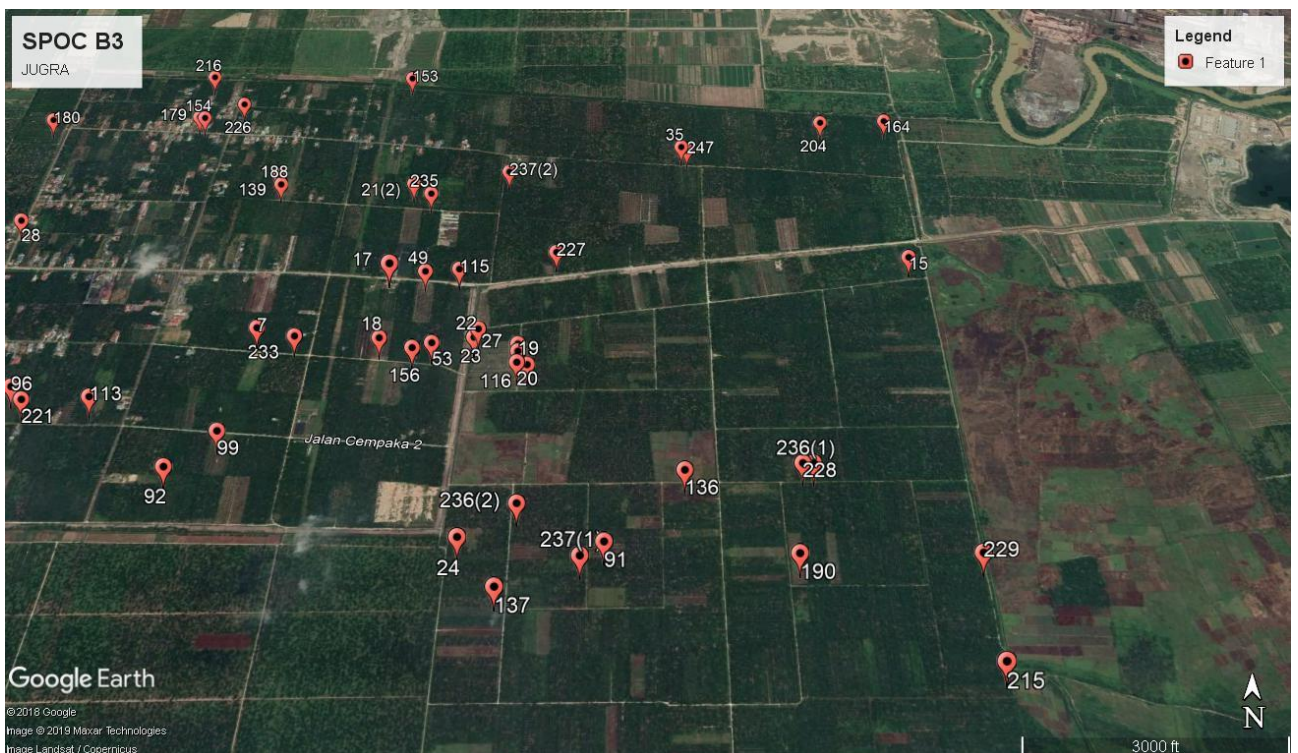


Figure 13: Smallholder areas.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12

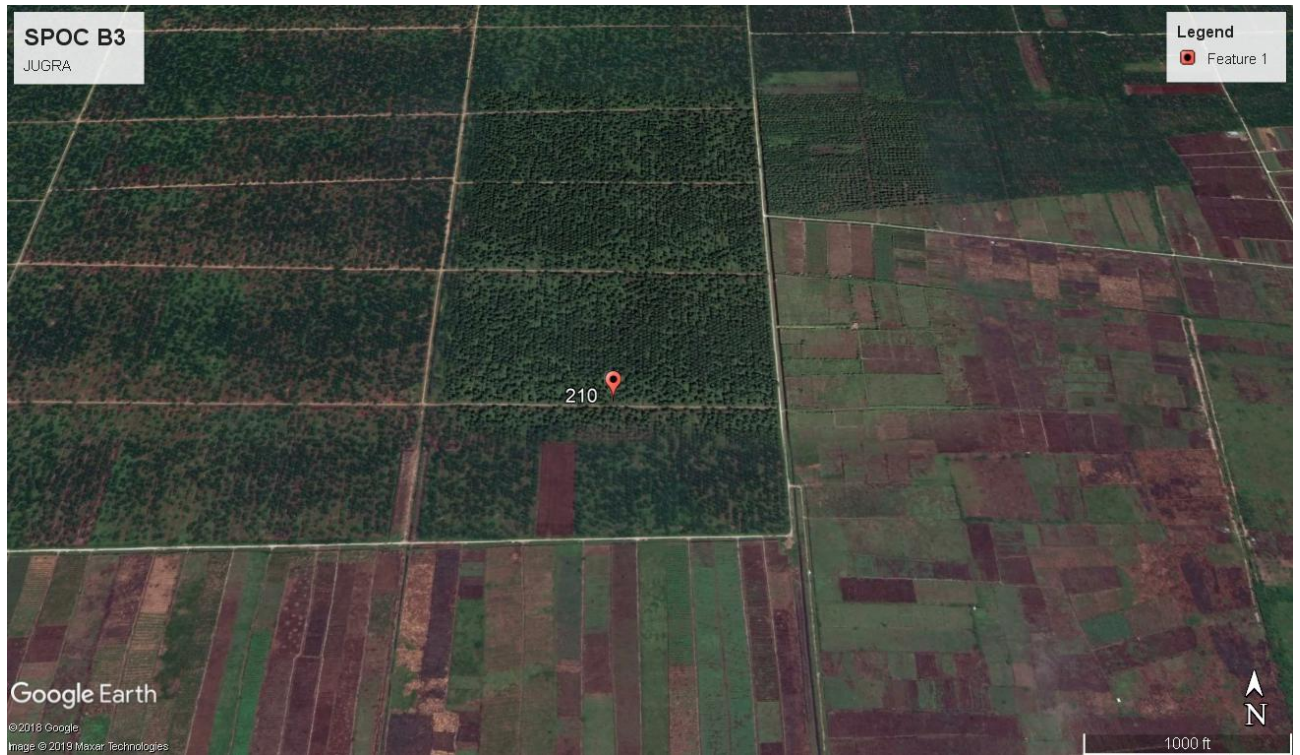


Figure 14: Smallholder areas.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



4. CERTIFICATION ASSESSMENT

4.1. Annual surveillance audit

The objective of the audit is to assess the activities of MPOB Cawangan SPOC B3 Jugra are in compliance with MS 2530-2: 2013 Part 2: General principles for independent smallholders' requirements.

4.1.1. Surveillance:

During this surveillance audit ASA12, there are 90 old members and 263 new members. Thus, total number of smallholders in the program is 353.

The surveillance audit is conducted on 19/08/2019 to 21/08/2019 that include inspection of the smallholders farms, farms boundary, interviews, conduct stakeholders' consultation and review of the findings raised in the last audit.

The audit team has applied the Malaysian Sustainable Palm Oil Part 2: General Principles for Independent Smallholders Audit Guidance to assess the establish documents against the Principles and Criteria of the standard.

The details of assessment of the indicators are at the summary of assessment in this report.

During the onsite the following were verified.

1. Compliance to legal requirements on the land title, land use rights and customary rights
2. Training and competence
3. Environmental management
4. Waste management and disposal
5. Best practice – farm management including fertilising, chemical spraying and harvesting.

During the previous surveillance audit, there are 0 Major, 0 Minor and 2 OFI raised.

The number of audit findings raised in this audit refer to Section 4.5 of this audit report.

4.2. Stakeholders' Consultation

TUV NORD (Malaysia) Sdn. Bhd, has published the public notification on 03/07/2019 as to accommodate stakeholder's consultation meeting for SPOC B3 Jugra to provide comments. As at audit date on 19/08/2019 there are no comments received.

Invitation letters are sent on 03/07/2019 to invite relevant stakeholders to attend a local stakeholders' consultation on 03/07/2019 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

The topics of discussion are as below:

- a. Introduction of objectives of MSPO standard certification for smallholders.
- b. Development of smallholders farms in area;
- c. Wildlife management area and impact to the smallholders;
- d. Environmental issues on the impact of river contamination;
- e. Type of wildlife around area;

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



f. Support from processing palm oil mills at area/

There are no issues raised during the stakeholders’ consultation that need to be addressed by the SPOC management office.

It can be concluded the relevant Principles and Criteria clauses of the applied standard are in compliance.

The List of Stakeholders who attended the meeting refer to table 7.1.

Item	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Any information from Group Manager [thereafter known as GM] as regards to MSPO audit?	Stakeholder attended the meeting confirmed they are aware of the audit via invitation letter	Positive comment towards SPOC B3 Jugra.
2	Social issues	Stakeholder from Kg Tok Muda informed no social issue at this area	Positive comment towards SPOC B3 Jugra.
3	Understanding of Land Title – Native Customer Land, Freehold, Leased (Grant), Land application (LA)	Stakeholders attended the meeting is not sufficient to respond on information regards to land title.	Positive comment towards SPOC B3 Jugra.
4	Economy / Livelihood Is there any impact on livelihood after the introduction of MSPO?	Stakeholder confirm that having MSPO certification has increase their knowledge on good agriculture practise, operational cost reduce by implementing manual weeding rather used chemical for managing the farm. Thus, having more proper farm management and increase in yield.	Positive comment towards SPOC B3 Jugra.
5	Does MSPO largely benefits the local community?	Stakeholder confirmed that they understand the benefits of the MSPO certification and willing to share knowledge with the community.	Positive comment towards SPOC B3 Jugra.
6	Understanding of environmental.	Stakeholder inform the awareness programme held by SPOC group manager on taklimat MSPO and LKN has include environmental topic.	Positive comment towards SPOC B3 Jugra.
7	Awareness towards species, habitats, and high conservation values?	Stakeholder confirm they are aware on the wildlife conservation which obtain information from training and LKN.	Positive comment towards SPOC B3 Jugra.
8	FFB quality	There are no issues as regards to FFB quality since smallholders are	Positive comment towards SPOC B3 Jugra.

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



		aware on the ripeness standard by MPOB guideline	
9	Are there any plantation or mill management practices that affect you?	Stakeholder confirmed there are no impact cause by any plantation or mill management. The stakeholder will communicated with SPOC group manager if there is any issue related to the SPOC, and stakeholder is aware on the complaint and grievance process.	Positive comment towards SPOC B3 Jugra.
10	Do you consider any management is in conflict with the MSPO principles and criteria?	Stakeholders attended the meeting confirm there is no conflict arise against MSPO requirement for SPOC B3 Jugra.	Positive comment towards SPOC B3 Jugra.
11	Do you have any suggestions for management?	Stakeholder attended would like to receive more information regarding palm oil by group manager	Positive comment towards SPOC B3 Jugra.

4.3. Summary of Assessment

Principle and Criteria Assessment Summary
<p>The assessment team conduct a thorough assessment of each principle and criteria. Over the 5 years' period of the certificate cycle, there will be 4 annual surveillance audits all criterions will be assessed. Evidences are sought for conformity with the MSPO 2530-2. The summary of the assessment is as below, where the "Findings/Comments" column reflects the findings in accordance with each criteria and indicator or evidences and when non conformity is found. Summary of the non-conformity can be found below</p>

Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.1.1	<p>SPOC B3 Jugra has established MSPO Policy document number MSPO/SSCC/POLISI-01, revision 01 dated 10/07/2019 Group manager and display at SPOC office notice board.</p> <p>The policy is duly signed by smallholder and a copy on file.</p> <p>The policy stated:</p> <ul style="list-style-type: none"> - Commitment and responsibility of SPOC. - Openness in giving information to stakeholders. - Documentation for traceability. - Compliance to the local laws, national and international laws and regulations. - Contribution to local sustainability development. - Resolving complaints and grievances in transparent manner. - Working environment, worker's safety and health aspects. - Preserve environment, natural resources, biodiversity and ecosystem. 	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> - Protect rare and endangered species, and high biodiversity value habitats. - Zero open burning and good agricultural practice. - Compliance to new planting for palm oil. - Respect the human right, prohibit discrimination and provide equality of opportunities regardless race, sex, religion, political opinion and nationality. <p>Training to group member on MSPO policy was conducted on 31/07/2019.</p>	
4.1.2.1	<p>SPOC B3 Jugra has established Manual Procedure Kerja, dated 10/07/2019.</p> <p>Lampiran 9: Senarai Impak Social, Persekitaran dan Pelan tindakan has includes:</p> <p>Social Impact and action plan;</p> <p>Activity: Harvesting</p> <p>Social impact: FFB thieve.</p> <p>Action plan: Report to JKKK and Police for further action.</p> <p>Environmental Impact and action plan;</p> <p>Activity: Manuring and integrated farming.</p> <p>Environmental impact: Improve in soil fertility and soil structure (application of organic fertilizer)</p> <p>Action plan: Ongoing affords</p>	Yes
4.1.2.2	<p>Latest Warta Sawit is provided to smallholder during Taklimat Pensijilan MSPO untuk Pekebun Kecil held on 23/04/2019.</p> <p>Interview with smallholders they received the newsletter.</p>	Yes

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>SPOC B3 Jugra established guidance for Financial and economy, document number MSPO/SSCC/GP-01/PEK. Issue 1, dated 13/04/2018.</p> <p>The procedure describe the process flow of traceability.</p> <p>Internal audit was conducted on 23/07/2019 until 25/07/2019 with two OFI issued..</p> <p>Training for smallholders has been conducted on 31/07/2019 by group manager.</p>	Yes
4.2.1.2	<p>Flowchart Garis Panduan Pelan daya Ekonomi dan Kewangan established, document number MSPO/SSCC/GP-01/PEK issue 2 dated 10/07/2019.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<p>Flow chart describe on keeping records of payment, such as weighbridge tickets.</p> <p>Observed at SPOC B3 Jugra Office and interviews with smallholders traceability documents such as weighbridge ticket and monthly FFB yield per month available.</p>	

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	<p>SPOC B3 Jugra established Manual procedure kerja MSPO dated 10/07/2019.</p> <p>Describe in Lampiran 7: Senarai Keperluan Undang -Undang Malaysia and Senarai keperluan undang-undang Semenanjung Malaysia. Example of laws listed:</p> <ol style="list-style-type: none"> 1. Minimum Wage Order 2018 2. Akta 265: Akta Pekerjaan 1955 3. Akta 514: Akta Keselamatan dan Kesihatan Pekerjaan 1994 4. MPOB licenses available at SPOC B3 Office <p>Interview with smallholders indicates they are aware and understand legal requirement applicable to them.</p>	Yes
4.3.2.1	<p>Smallholders have land title as proof of land ownership.</p> <p>There are two type of land titles:</p> <ol style="list-style-type: none"> 1. Leased Hold 2. Free hold <p>All land titles are issued by Jabatan Tanah dan Galian Negeri Selangor.</p> <p>Stated in the land title is either tanaman kekal (industri), tanaman kelapa sawit, or untuk kegunaan pertanian.</p>	Yes
4.3.3.1	<p>Orang Asli was part of member for SPOC B3 Jugra. Sighted documents provided by JAKOA, acknowledging smallholders regarding land ownership. The documents states on Rizab Orang Asli Sg Judah, Mukim Jugra, which is the proof of land ownership by Orang Asli on Jugra area.</p>	Yes
4.3.3.2	<p>Maps showing smallholders land ownership for Orang Asli was provided by JAKOA. Example of map was sighted for OA smallholders, indicates the locality of smallholders field location. Other information stated was name of tok Batin, land area, land status and population number.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board

Certifying Unit: MPOB – SPOC B3 Jugra

Client Number: 92-067

Audit Type: Annual Surveillance Audit 12



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	<p>SPOC B3 Jugra established SOP for Complaints and Grievances. Doc no: MSPO/SSCC/SOP-01/AR, effective date 10/07/2019.</p> <p>The SOP objective is to monitor and ensure complaint received from stakeholder is properly address within the timeframe of 14 days. The procedure included:</p> <ul style="list-style-type: none"> • Penerimaan Aduan dan Rungutan. • Tindakan Susulan / Siasatan. <p>Complaint form is established effective date 10/07/2019.</p> <p>Review on the complaint record indicates no complaint lodged as at audit date.</p> <p>The complaint and grievance procedure has briefed on Taklimat Pensijilan MSPO dated 21/03/2019 and 18/04/2019.</p> <p>Onsite interview with smallholders feedback they can lodge complaint when is necessary at SPOC office. The complaint box and form is available at the office entrance.</p>	Yes
4.4.1.2	<p>SPOC B3 Jugra established procedure Complaints and Grievances effective date 10/07/2019.</p> <p>The procedure describes complaint to be resolved within 14 days from the date of complaint received.</p> <p>Procedure states Group manager is responsible for handling of complaint and grievance lodge by stakeholders.</p> <p>No grievance record found as at audit date.</p>	Yes
4.4.2.1	<p>SPOC B3 Jugra established SOP Kemalangan, Kejadian Bahaya Dan Keracunan Pekerja effective date 13/04/2018.</p> <p>SOP states to provide action plan should there be an accident, poisoning or any unsafe incident to smallholders and workers in the workplace.</p> <p>Taklimat MSPO conducted on 21/03/2019 include the safety and health procedure.</p> <p>Interview with smallholders indicate they understand the important of PPE usage while conducting the field work.</p>	Yes
4.4.3.1	<p>SPOC B3 Jugra established the 'Syarat Mengupah Pekerja di Kebun Sawit' document no MSPO/SSCC/SMP-01.</p> <p>The document states the term and condition to employee and the workers. Example: 'The rate of payment shall be agreed by both smallholders and workers'.</p> <p>Group manager has established form 'Terma Penggajian Pekerja' doc no: MSPO/SSCC/TPP-01 which includes the payment rate between smallholders and workers and have to be sign by both party.</p> <p>Group manager has established the 'Senarai Harga Upah Berdasarkan Kerja Harian Di Kebun SPOC B3 Jugra' as guidance for smallholders in regards on pay rate while hiring workers.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board

Certifying Unit: MPOB – SPOC B3 Jugra

Client Number: 92-067

Audit Type: Annual Surveillance Audit 12



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>Sighted smallholder applies the Form Terma Penggajian Pekerja while hiring permanent worker with the form signed by both parties on 06/09/2017.</p> <p>Onsite interview indicate majority of smallholders operate field by family member or taken service from dealer such as transportation that perform by dealer workers. However smallholders are aware on the pay rates and hiring term and condition provided by group manager.</p>	
4.4.3.2	<p>SPOC B3 Jugra established MSPO policy dated 11/07/2019. The policy states prohibit discrimination practice and provide equal opportunity regardless of race, gender, religion, politic opinion and nationality.</p> <p>Form 'Syarat mengupah pekerja di kebun sawit' point 4 states:</p> <ul style="list-style-type: none"> Tidak mengamalkan sikap diskriminasi terhadap agama, kaum, jantina, warna kulit, kewarganegaraan dan politik. <p>All smallholders individual file has a copy of the MSPO policy.</p> <p>No complaint found on related issue as at audit date.</p> <p>MSPO Training conducted on 21/03/2019 and 18/04/2019 has include the policy and 'Syarat mengupah pekerja di kebun sawit'.</p> <p>Onsite interview with smallholder indicate they understand on no discrimination and shall provide equal opportunity.</p>	Yes
4.4.3.3	<p>SPOC B3 Jugra established form 'Terma Penggajian Pekerja' doc no: MSPO/SSCC/TPP-01 which use to confirm rate pay between smallholders and workers and to be signed by both parties.</p> <p>The form include rates for harvesting, manuring, spraying, and pruning.</p> <p>Onsite interview with dealer and smallholders confirmed majority of the smallholders field is manage by family members. Some smallholders engage the service provided by dealer for transportation.</p> <p>Review of smallholder file no. 17 has hired permanent worker, the Terma Penggajian kerja is signed by both parties on 06/09/2017.</p> <p>Non-conformity:</p> <p>Base on field interview and smallholder file review, smallholder no. 17 had hired permanent workers for field operation. Terma penggajian is available however there is no evidence that payment is made to the workers as per terma penggajian.</p>	Major NC 1
4.4.3.4	<p>Site interview and individual file review indicate majority of smallholders are operated by family members.</p> <p>Onsite observation and interview with smallholder who has provide living quarter for worker with basic amenities such as water and electric supply.</p>	Yes
4.4.3.5	<p>SPOC B3 Jugra established the 'Syarat Mengupah Pekerja di Kebun Sawit', doc no MSPO/SSCC/SMP-01.</p> <p>The document include as follows:</p> <p>Point 2 Prohibit to recruit child labour below age of 15 years old.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board

Certifying Unit: MPOB – SPOC B3 Jugra

Client Number: 92-067

Audit Type: Annual Surveillance Audit 12



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>Point 3 Not allowed to hire young person who between age 15 to 18 years old.</p> <p>MSPO training conducted on 21/03/2019 and 23/04/2019 has include MSPO policy, 'Syarat Mengupah Pekerja Di Kebun Sawit' And 'Terma Pengajian Pekerja'.</p> <p>Field observation and interview indicate there is no child labour used by smallholders.</p>	
4.4.4.1	<p>SPOC B3 Jugra established Training Program For 2019.</p> <p>Group manager has conducted training for smallholders example MSPO training dated 21/03/2019 and 24/04/2019.</p> <p>Sighted the 'Program Lawatan Pekebun Kecil (LKN) 2019 conducted by SPOC B3 Jugra'.</p> <p>Example LKN conducted f on 19/02/2019.</p>	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>SPOC B3 Jugra established Senarai Impak Sosial, Persekitaran & Pelan Tindakan. Doc no MSPO/SSCC/L-04/ISP, date effective 10/07/2019.</p> <p>Example activity:</p> <p>Meracun</p> <p>Impact to environment:</p> <p>Pelupusan bahan buangan berjadual (tong racun kosong)</p> <p>Action plan</p> <p>Pembasuhan 3 kali, ditebuk lubang dan disimpan di tempat khas.</p> <p>SPOC B3 Jugra Group Manager has conduct environmental training as part of GAP awareness on 21/03/2019.</p>	Yes
4.5.2.1	<p>There is no use of renewable energy by smallholders.. .</p>	Yes
4.5.3.1	<p>SPOC B3 Jugra established SOP 'Senarai Sisa Racun Dan Domestik', doc no: MSPO/SSCC/L-03/SRD, effective date 10/07/2019.</p> <p>Example list of pollutions identified that effect the environment:</p> <ol style="list-style-type: none"> 1. Pesticide - empty chemical containers: Breeding ground for mosquito. 2. Fertilizer - uncollected plastic bags cause environmental pollution. 3. Weedicide - Chemical spillage to natural water cause environmental pollution. 	Yes
4.5.3.2	<p>SPOC B2 Jugra established 'Pengurusan Bahan Buangan Terjadual', doc no: MSPO/SSCC/SOP-03/BT, effective date 06/07/2018.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board

Certifying Unit: MPOB – SPOC B3 Jugra

Client Number: 92-067

Audit Type: Annual Surveillance Audit 12



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>SOP states 'memantau dan memastikan proses pengendalian dan pelupusan bahan buangan terjadual bagi individu yang bertanggungjawab dapat dilaksanakan dengan teratur, cekap dan selamat.</p> <p>Point no 2: bahan racun dibekas yang kosong hendaklah dibersihkan terlebih dahulu sekurang-kurangnya 3 kali bilasan menggunakan air bersih sebelum disimpan tujuan pelupusan.</p> <p>Point no 6: bekas racun kosong hendaklah disimpan ditempat yang selamat bagi mengelakkan ianya digunakan untuk tujuan lain.</p> <p>Interview with smallholders that they understand the above SOP contents.</p>	
4.5.4.1	<p>SPOC B3 Jugra has established Senarai Semak Pensijilan MPOB Amalan Pertanian Baik (GAP), Pekebun Kecil Sawit.</p> <p>Stated under criteria assessment of GAP</p> <p>Point no 6:</p> <p>Ada parit lading / pengumpulan dibina di kawasan yang perlu dan diselenggara dengan baik bagi mengawal paras air/banjir.</p> <p>Point no 7:</p> <p>Paras air tanah di dalam parit di kawasan gambut berada pada paras optimum untuk mengurangkan kekeringan kekal/pemendapan.</p> <p>Group Manager monitors implementation of water management via Lawatan Khidmat Nasihat (LKN) and GAP visit.</p> <p>Smallholder has taken afford to ensure no run off water to streams or rivers..</p> <p>Smallholders on peat area to manage the farm with proper drainage to ensure water are properly managed.</p>	Yes
4.5.4.2	<p>Smallholders create collecting pond and culvert to collect rainwater mainly for chemical spraying activities and washing.</p>	Yes
4.5.5.1	<p>SPOC B3 Jugra has established SOP 'Senarai Impak Sosial, Persekitaran & Pelan tindakan, date effective: 10/07/2019 describes</p> <ol style="list-style-type: none"> 1. Pembukaan kawasan biodavesiti, mewujudkan kawasan mampan dikawasan tanah tidak subur/marginal sekaligus menjadi tempat habitat flora/fauna (mewujudkan ekosistem). Pelan tindakan diteruskan. 2. Pembukaan kawasan kebun di kawasan hutan, pengurangan habitat bagi flora dan fauna. Haiwan berasimilasi bersama penduduk kampung (monyet, khinzir). <p>SPOC B3 Jugra has obtained the list of wildlife from Jabatan Perlindungan Liar dan Taman Negara (Perhilitan) Semenanjung Malaysia as below:</p> <ol style="list-style-type: none"> 1. Appendix IV Selected Images of Totally Protected Species (Mammals) Under Wildlife Protection Act, 1972. 2. Senarai Hidupan Liar <p>Example of wildlife are wild boar, wild cat.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>The SPOC office has displayed the wildlife poster obtain from Jabatan Perlindungan Hidupan Liar dan Taman Negara (Perhilitan).</p> <p>Training has been conducted on 21/03/2019 and 23/04/2019 by Sabah Wildlife Department officer include the protected wildlife and related laws and regulations.</p> <p>Group manager has documented law for the wildlife.</p> <p>Example</p> <ul style="list-style-type: none"> • ACT 716-Akta Pemuliharaan Hidupan Liar 2010 • Malaysian Law-PUA 345-47929 • Wildlife Protection Rules 1998 <p>Interviews with smallholders indicates that they understand the requirements for no hunting of any wildlife..</p>	
4.5.6.1	<p>SPOC B3 Jugra has established SOP Garis Panduan Amalan Pembakaran Sifar, dated: 10/07/2019.</p> <p>SOP states to train the stallholders to understand zero burning.</p> <p>Training conducted on 28/02/2019 and 21/03/2019 includes zero burning.</p> <p>There is no open burning observed at sampled smallholder's farm.</p>	Yes

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>SPOC B3 Jugra established SOP Garis Panduan dan Pelan Daya Ekonomi dan Kewangan document number dated 10/07/2019. The procedure describes Amalan Pertanian Baik as following:</p> <ul style="list-style-type: none"> • Penyediaan ladang • Pembajaan • Pengawalan rumput • Penuaian • Pengawalan penyakit dan perosak • Pemuliharaan tanah <p>SPOC B3 Jugra has established the Buku Panduan Amalan Pertanian Baik MPOB (MPOB GAP) 2016 ISBN: 978-967-961-220-2. The procedure states:</p> <p>Penyediaan Ladang, Pemuliharaan Tanah, Kawalan Rumpai, Pembajaan, Pemangkasan, Serangan Perosak, Serangan Penyakit, Penuai, Amalan Integrasi dan Penyimpanan Rekod</p> <p>Onsite observation smallholders had implemented good practices such as proper frond stacking, and maintain the cover crop.</p> <p>Non-conformity:</p>	Minor NC 1

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board

Certifying Unit: MPOB – SPOC B3 Jugra

Client Number: 92-067

Audit Type: Annual Surveillance Audit 12



Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	<p>Observation on sample smallholders field reveal on GAP requirement was not followed:</p> <ol style="list-style-type: none"> 1. Application of blanket spraying on field. 2. Poor field condition (field area observed cover with shrubs). 	
4.6.1.2	<p>During on site visit at smallholders field, sighted identification signage implemented with details:</p> <ul style="list-style-type: none"> • Nama pemilik • No Lot • Keluasan • Tahun Tanah 	Yes
4.6.2.1	<p>SPOC B3 Jugra has established SOP Economic and financial viability plan' Doc No: MSPO/SSCC/GP-01/PEK, Effective date 10/07/2019.</p> <p>The plan described on the expenses and income management for smallholders.</p> <p>Group Manager has established budget for the smallholders for immature area for three years to six years planning for the field activity.</p> <p>Annual training for the smallholders include the MSPO training program and budget.</p>	Yes
4.6.3.1	<p>SPOC B3 Jugra has conducted stakeholder's consultation & communication meeting dated 18/04/2019 at mill.</p> <p>SPOC B3 Jugra established monthly MPOB FFB reference price at office notice boards.</p> <p>Interview with smallholders that they have access to the FFB prices via phone call, WhatsApp, MPOB portal and FFB price display on mill or dealer's weighbridge.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	SPOC B3 Jugra has established smallholders planting statement. First planting sighted on the list was on 1989 and latest replanting on year 2018. There are no new planting stated in list or sighted during field visit to smallholders areas.	Yes
4.7.2.1	SPOC B3 Jugra has establish smallholders planting statement. First planting sighted on the list was on 1989 and latest replanting on year 2018. There are no new planting conducted by SPOC B3 Jugra members. Thus, no soil survey or topography to be established. Thus, the indicator is not applicable.	Yes
4.7.3.1	SPOC B 3 Jugra has establish smallholders planting statement. First planting sighted on the list was on 1989 and latest replanting on year 2018. There are no new planting established, thus, no extensive planting on problematic s or fragile soil conducted.	Yes

4.4. Status of Non-Conformities Previously Identified

	The stage 1 audit findings of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS implemented to address identified audit findings. Details of the follow up action taken on stage 1 audit findings were recorded in the Stage 1 audit report.
	The last audit results of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS implemented to address any nonconformity identified.
	The last audit results of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS NOT been implemented effectively. Non-conformity will be re-raised.
X	Not applicable. No non-conformity raised in previous audit.
<i>Note 1: If a minor non-conformity raised in last audit, is not closed out, then this finding will be re-raised to a Major non-conformity.</i> <i>Note 2: All minor NCs raise in last audit are required to capture in this report together with the closing of the non-compliance.</i>	

4.5. Detail of Audit Findings in last Audit

There are no non-conformities raised during the last surveillance audit.

4.6. Detail of Audit Findings Identified During This Audit

This section gives an overview of the non-conformities raised during this audit.

AUDIT OUTCOME		
During this audit,	1	MAJOR Non-Conformities
	1	MINOR Non-Conformities

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



Non Conformity Number < 01 >			
Indicator # and Description:	4.4.3.3 Independent smallholders shall ensure that worker's pay and conditions meet legal standards as per mutual agreements. (MAJOR)		
Location:	SPOC B3 Jugra smallholders		
Description of Finding / Objective Evidence:			
Base on field interview and smallholder file review, smallholder no 17 had hired permanent workers for field operation. Terma penggajian is available however there is no evidence that payment made to the worker as per terma penggajian.			
Classification	<input checked="" type="checkbox"/> Major	<input type="checkbox"/> Minor	
Raise by:	Sheron, Pui Ling Wui	Date Raise:	21/08/2019
Deadline for implementation		20/10/2019	
Root Cause Analysis (by company):			
Tiada resit pembayaran gaji.			
Correction (by company):			
Telah berjumpa dengan pekebun kecil untuk menyediakan pembayaran gaji dan slip salinan pembayaran gaji perlu disimpan.			
Corrective / Preventive Action (by company)			
Sentiasa bekerjasama dengan pekebun kecil untuk mendapatkan resit pembayaran gaji.			
Review of Correction & Corrective / Preventive Action			
Form terma penggajian pekerja was available. The form dated 03/10/2019 has included pay rates for operational activities and has been sign by smallholders and workers as acknowledgement. Thus, based on evidence provided, the major non-conformity was closed.			
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Name of Auditor: Sheron Pui ling Wui		Date of Closure: 09/10/2019	
Review of Implementation			
Name of Lead Auditor / Auditor:		Date of Review:	

Non Conformity Number <02 >	
Indicator # and Description	4.6.1.1 All independent smallholders oil palm farms shall implement best practices such as the MPOB Codes of Practice, Malaysian Standards, ISO Standards and Kod Amalan Baik (GAP) Pekebun Kecil. (MINOR)
Location:	SPOC B3 Jugra
Description of Finding / Objective Evidence:	

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
 Certifying Unit: MPOB – SPOC B3 Jugra
 Client Number: 92-067
 Audit Type: Annual Surveillance Audit 12



Non Conformity Number <02 >	
Observation on sample smallholders field reveal on GAP requirement was not followed:	
1. Application of blanket spraying on field. 2. Poor field condition (field area observed cover with shrubs).	
Classification	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor
Raise by:	Mohamad Norhisham Bin Mohd Salleh
Date Raise:	21/08/2019
Deadline for implementation	Action plan to be submitted before 20/09/2019, implementation will be verifying on next surveillance audit.
Root Cause Analysis (by company):	
1. Semburan menyeluruh pada kebun yang dilawati. 2. Kebun tidak terurus.	
Correction (by company):	
Telah melakukan sesi taklimat pada 28 Ogos 2019 berkenaan dengan Amalan Pertanian Baik.	
Corrective / Preventive Action (by company)	
Lawatan dan khidmat nasihat akan diberikan dari masa ke semasa supaya amalan pertanian baik sentiasa dipatuhi.	
Review of Correction & Corrective / Preventive Action	
SPOC BB Jugra has provided with action plan on 24/09/2019. The action plan includes GAP training which was conducted on 28/08/2019. Verification on implementation to close the minor non-conformity will be conducted on next surveillance audit.	
Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Site verification : <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Name of Lead Auditor : Mohamad Norhisham Bin Mohd Salleh	Date of Closure: 24/09/2019
Review of Implementation	
Name of Lead Auditor :	Date of Review:

Nr.	Indicator	Location	Opportunity for Improvement
NIL	NIL	NIL	NIL

5. CONCLUSION

Malaysia Palm Oil Board has commissioned TÜV NORD (Malaysia) Sdn Bhd to carry out the certification for the Sustainable Palm Oil Cluster (SPOC) for SPOC B3 Jugra consisting of 353 independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

There is one Major NC raised in this audit and closed out successfully. There is one Minor NC raise with action plan submitted and accepted. Furthermore, Minor NC(s) raised in this audit will be verify in the next surveillance audit.

From the review of the standard operating procedures, relevant forms, work flow charts established and implemented; the subsequent background investigation and interviews conducted during this surveillance audit have provided TUV NORD (Malaysia) with sufficient evidence on the fulfilment of the applied standard Principles & Criteria.

In conclusion the certified organisation has been established, implement and continue to improve in managing the independent smallholders are in line with the Principles & Criteria of the applied standard MS 2530-2:2013 Part 2.

As a result of this audit, the audit team confirms that:

Total certified number of independent smallholders:	353	Smallholders
Total certified acreage of smallholders:	552.74	Ha
Certified FFBS output January to December 2018:	1,146.00	Mt
Certified FFBS output January to June 2019:	4,203.52	mt

6. RECOMMENDATION

The audit team conducted a process-based audit focusing on significant aspects / risks and objectives required by the standard(s). The audit methods used are interviews, observations, sampling of activities, review of documentation and records.

Any audit is based on sampling within an organization's management system and therefore is not guarantee of 100 % conformity with requirements.

The structure of the audit is in accordance with the audit plan included to this summary report as annex.

The audit team concludes that the organisation has established and maintained its management system in line with the requirements of the standard(s) and demonstrated the ability of the system to achieve requirements for production and management within the scope and the organisation's policies and objectives.

Therefore, the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity that this management system certification be

	Recommended for Certification / Recertification
X	Recommended for Continuity of Certification
	Suspended of Certification

Puchong, 21/10/2019



Mohamad Norhisham Bin Mohd Salleh
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 21/10/2019



Robert, Cheong Chun Yuen
TUV NORD (Malaysia) Sdn Bhd
Certifier / Approver

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



7. LIST OF INTERVIEWEES

Table 7-1: List of Interviewed Persons, Observers and Smallholders

No.	Name	Organization / Function
1	Hariri Sadiman	Kg. Tok Muda, Kapar, Klang
2	Muhammad Irwan Bin Abd. Ghafar	Jabatan Penwairan dan Saliran Daerah Kuala Langat

MSPO Certification Summary Report

Company Name: Malaysia Palm Oil Board
Certifying Unit: MPOB – SPOC B3 Jugra
Client Number: 92-067
Audit Type: Annual Surveillance Audit 12



Distribution / Confidentiality / Rights of ownership / Limitations / Responsibilities / Audit Objectives

This report is sent to the certification body or bodies, the members of the audit team and the audit representative of the organisation. All documents (such as this report) regarding the certification procedure are treated confidentially by the audit team and the certification body. This audit report remains the property of the certification body.

An audit is a procedure based on the principle of random sampling and cannot cover each detail of the management system. Therefore nonconformities or weaknesses may still exist which were not expressly mentioned by the auditors in the final meeting or in the audit report.

The responsibility for continuous effective operation of the management system always rests solely with the audited and certified organisation.

Salvo clause:

The audit report will be left to the organisation at the end of the audit - subject to approval by the certification body. The independent release process may cause modifications or additions. In these cases a modified revision will be sent to the audited organisation.

The objective (goal) of the audit is to establish compliance of the management system of the aforementioned organization with the requirements of the aforementioned standard in order to achieve or maintain certification through an independent and accredited certification body. Identification of possibilities to improve the management system can also be a component of the audit and is considered simply to be an enhancement; it does not constitute consultancy or advice with regard to the management system.

Annex / Enclosures

Annex / corresponding audit documentation	<input type="checkbox"/> P&C Audit Report / Checklist(s) <input type="checkbox"/> Audit Plan <input type="checkbox"/> Additional annexes, number
---	--