



MSPO CERTIFICATION SUMMARY REPORT

SPOC J38 LABIS

SURVEILLANCE 02

Date: 06/01/2020

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MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J38 Labis
Client Number: 92-038
Audit Type: ASA 02



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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

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1. INTRODUCTION

MPOB has commissioned TÜV NORD (Malaysia) Sdn Bhd to conduct an initial certification 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 Cawangan SPOC J38 Labis of 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 Cawangan SPOC J38 Labis.

1.2. Scope

The certification is based on the documentation established by MPOB Cawangan SPOC J38 Labis 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) Perkebun 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 2 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: Muhammad Khairul Anuar bin Azizul Hasan

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;	Graduate in Plantation Industry and management

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Requirement	Qualifications
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)	7 years working experience in oil palm plantations.
Successfully completed MS 2530 series of standards training	Successfully completed MS2530: 2013 LA Course.
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) man-days under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.	Qualified as auditor, conducted more than 3 certification audits with total more than 15 man days.
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	7 years working experience in oil palm plantation.
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	7 years working experience in oil palm plantation.
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Successfully completed IMS ISO 9001, 14001 and 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 MSPO and RSPO scheme.
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Successfully completed IMS 9001, 14001 and 45001 LA course, Auditor for MSPO and RSPO scheme.

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Qualification of Team Members

Requirement	Assessor	Qualification	Compliance
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; vi) Business Management; or vii) Other relevant related fields	Mohamad Norhisham bin Mohd Salleh	Graduate in Agrobiology	Yes
	Mohd Nur Amin bin Mohd Halim	Graduate in Office Management and Technology	
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)	Mohamad Norhisham bin Mohd Salleh	5 years working experience in oil palm plantation.	Yes
	Mohd Nur Amin bin Mohd Halim	7 years working experience in oil palm plantation.	
Attended the MS 2530 series of standards training	Mohamad Norhisham bin Mohd Salleh	Successfully completed MS2530 series training	Yes
	Mohd Nur Amin bin Mohd Halim	Successfully completed MS2530 series training.	
Conducted a minimum six (6) on-site audits for a total of at least 20 man-days 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.	Mohamad Norhisham bin Mohd Salleh	Qualified as auditor, conducted more than 6 on site audits with total more than 20 man days.	Yes
	Mohd Nur Amin bin Mohd Halim	Auditor in training.	
A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language.	Mohamad Norhisham bin Mohd Salleh	Bahasa Malaysia and English.	Yes
	Mohd Nur Amin bin Mohd Halim	Bahasa Malaysia and English.	
Field working experience in the palm oil sector, or demonstrable equivalent	Mohamad Norhisham bin Mohd Salleh	5 years working experience in oil palm plantation.	Yes

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Requirement	Assessor	Qualification	Compliance
	Mohd Nur Amin bin Mohd Halim	7 years working experience in oil palm plantation.	
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Mohamad Norhisham bin Mohd Salleh	5 years working experience in oil palm plantation.	Yes
	Mohd Nur Amin bin Mohd Halim	7 years working experience in oil palm plantation.	
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Mohamad Norhisham bin Mohd Salleh	Successfully completed 45001 LA course, Auditor for MSPO and RSPO scheme.	Yes
	Mohd Nur Amin bin Mohd Halim	Auditor for MSPO scheme, IMS ISO 9001, 14001, 45001.	
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes	Mohamad Norhisham bin Mohd Salleh	Successfully completed SA 8000 Basic training and auditor for MSPO schemes	Yes
	Mohd Nur Amin bin Mohd Halim	7 years working experience in oil palm plantation.	
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Mohamad Norhisham bin Mohd Salleh	Successfully completed 14001 LA course, Auditor for MSPO and RSPO scheme.	Yes
	Mohd Nur Amin bin Mohd Halim	Successfully completed IMS ISO 9001, 14001, 45001 LA course, Auditor for MSPO scheme.	

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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 02:

Surveillance audit 02 is conducted on 05/11/2019 to 07/11/2019 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.

On-site Assessment

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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 $S = \text{risk factor} \sqrt{n}$ where S = sample size and n = number of group members which is in accordance to MSPO certification procedure.

The group of smallholders consists of 199 new members and 110 old members.

Based on the formula, the sample size $S = \sqrt{200}$, $\sqrt{110}$, the number of new smallholders are 14.10 and number of old members are 10.48. Therefore, the total of new smallholders 15 and old members are 11. Thus, a total of 26 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
Supardi bin Sadat	2° 21'38.22"N 101°1' 28.96"E
Abu Samah bin Mohamed	2° 21' 15.66"N 102°57' 11.41"E
Ab Malek bin Hashim	2° 29' 23.835"N 103°03' 47.005"E
Jamal bin Mohd Sa	2°21'23"N 102°58'29"E
Ramakrishnan A/L Raja Gopal	2° 20' 12.84"N 102°57' 57.71"E
Ng Kim Heng	2°22'10.025"N 103°00'41.667"E
Teh Poi Kiam @ Tey Yee Pin	2° 22' 49"N 102°58' 23"E
Tey Ee Kiam @ Tey Boi Kiam	2° 22' 49"N 102°58' 23"E
Zainulddin bin Adam	2°28'55"N 103°5'44"E
Omar bin Sulaiman	2° 28' 56"N 103° 5' 25"E
Rahayu binti Abd Rahman	2°28'2.72"N 103°0'22.21"E
Yong Nyok Hing	2°21'45.777"N 103°1'31.557"E
Cheah Weng Luh	2°21' 35.881"N 102°59'53.065"E

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Name of independent smallholders	Specific Address / site
Tey Aik Siang	2°23'16.947"N 103°1'16.005"E
Lai Pak Keong	2°21'13.176"N 102°58'23.717"E
Koh Chun Seng	2°20'09.6"N 103°02'20.3"E
Ganesan A/L Irusappan	2°20'56.5"N 102°56'41.9"E
Lim Bek Lan	2°20'56.5"N 103°59'41.9"E
Lim Eng Ho	2°20'56.3"N 102°59'42.0"E
Yee Kian Guan	2°20' 18.957"N 103° 3' 22.49"E
Kadirun bin Palil	2°22' 48.008"N 103°0'51.38"E
Chai Choon Tat	2°21'44.463"N 103°1'12.116"E
Koo Meng Fui	2°20' 26.204"N 103°2'25.997"E
Chong See Kam	2°19'12.874"N 103°9'36.567"E
Kua Kee	2°19'3.022"N 103°9'0.287"E
Khoo Kim Chin	2°19'9.862"N 103°9'11.915"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.

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3. ORGANISATION INFORMATION

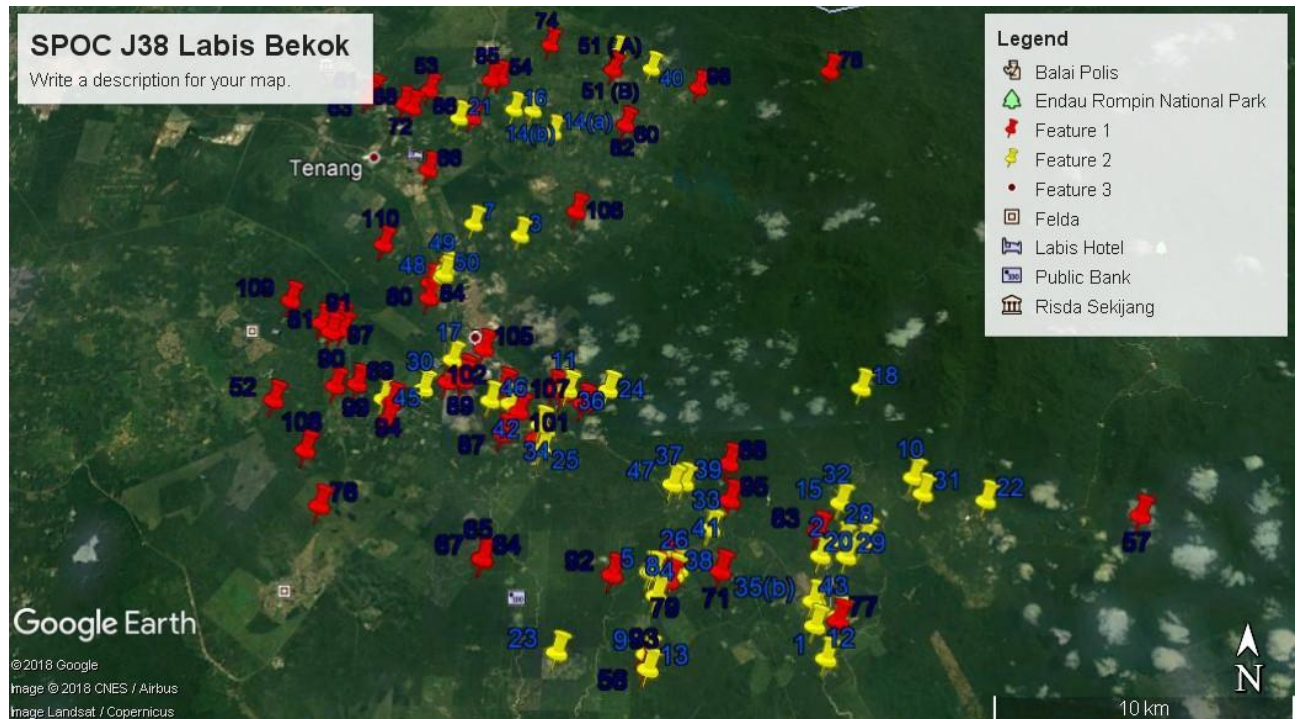
MPOB Cawangan SPOC J38 Labis, is a branch of MPOB located at Segamat, N 2°29'23" E 102°50'49" to provide technical support as well as develop the independent smallholders' scheme around the Segamat district.

The SPOC J38 Labis 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.34 Tingkat Atas, Jalan Genuang Perdana, Taman Genuang Perdana.

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

Figure 1

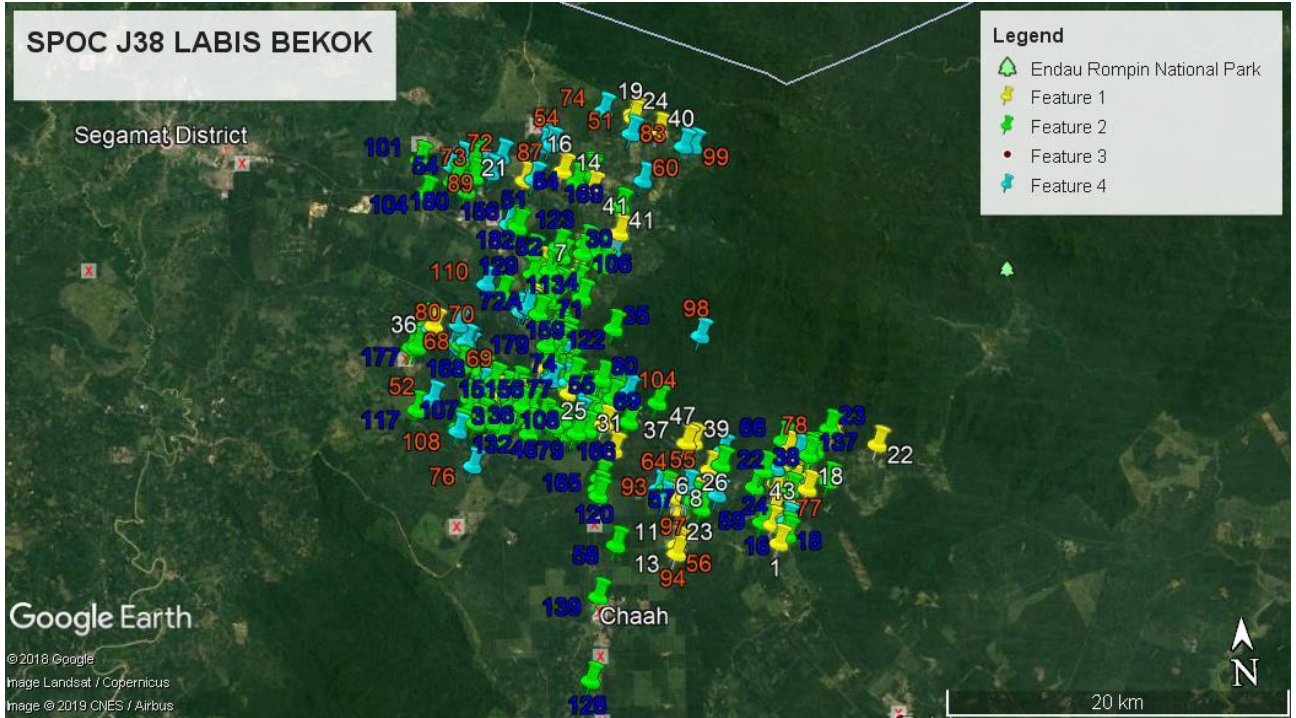


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Figure 2



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4. CERTIFICATION ASSESSMENT

4.1. ASA 02

The objective of the audit is to assess the activities of MPOB Cawangan SPOC J38 Labis are in compliance with MS 2530-2: 2013 Part 2: General Principles for Independent Smallholders' requirements.

4.1.1. Surveillance 02:

There are 309 smallholders joined the certification during surveillance 02 audit.

The total number of old smallholders 110 remain the same during surveillance audit.

During this surveillance audit, 199 new smallholders join the program.

The surveillance audit is conducted on 05/11/2019 to 07/11/2019 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 this surveillance audit, there are 4 OFI raised.

During this audit, the major and minor non-compliance raised in the last audit, the audit team has review by means of inspection of smallholders' farms, conduct interviews, review and verify documents that are established, corrected and implemented appropriately by the SPOC team. The corrective measures implemented could be verified as appropriate.

For details of the assessment, refer summary of assessment for each indicator in section 4.3 of this report.

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 03/10/2019 as to accommodate stakeholder's consultation meeting for SPOC J38 Labis to provide comments. As at audit date on 05/11/2019 there are no comments received.

Invitation letters are sent on 03/10/2019 to invite relevant stakeholders to attend a local stakeholders' consultation on 05/11/2019 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

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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;
- 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?	Stakeholders confirmed of MSPO audit via invitation letter received.	Positives comments through SPOC J38 Labis Management.
2	Social issues	Interview of the stakeholders are not local communities. Therefore, no input of this topic.	No action required.
3	Understanding of Land Title – Native Customer Land, Freehold, Leased (Grant), Land application (LA)	Stakeholder represented Pejabat Tanah confirmed there are no land issues within the area.	Positives comments through SPOC J38 Labis Management.
4	Economy / Livelihood Is there any impact on livelihood after the introduction of MSPO?	Interview of the stakeholder are not local communities. Therefore, no input of this topic.	No action required.
5	Does MSPO largely benefits the local community?	Interview of the stakeholder are not local communities. Therefore, no input of this topic.	No action required.
6	Understanding of environmental.	Interview of the stakeholder are not local communities. Therefore, no input of this topic.	No action required.
7	Awareness towards species, habitats, and high conservation values?	Interview of the stakeholder are not local communities. Therefore, no input of this topic.	No action required.

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8	FFB quality	Interview of the stakeholder are not local communities. Therefore, no input of this topic.	No action required.
9	Are there any plantation or mill management practices that affect you?	Interview of the stakeholder are not local communities. Therefore, no input of this topic.	No action required.
10	Do you consider any management is in conflict with the MSPO principles and criteria?	Stakeholders has confirmed that estate has taken effort to meet the MSPO requirements.	Positives comments through SPOC J38 Labis Management.
11	Do you have any suggestions for management?	No suggestion	No action required

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 J38 Labis established MSPO Policy document number MSPO/SSCC/POLISI-01 (rev 1) dated 01/08/2019 sign by Group Manager and displayed at the notice board.</p> <p>The following statements are in the policy:</p> <ul style="list-style-type: none"> a) Commitment and responsibility of SPOC J38 Labis. b) Transparent in giving information to applicable stakeholders. c) Traceability in documents. d) Compliance to local, national and universal legal requirement. e) Contribution to local community buildings f) Solving complaint and grievance with integrity and fair. g) Comply with workers working environment, safety and health. h) Environment awareness, natural resources, biodiversity and ecosystem services. i) Need in conservation for rare, threaten, and almost extinct, and high biodiversity value. 	Yes

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Principle 1: Management Commitment & responsibility														
Indicator	Summary of Assessment	Compliance												
	<p>j) Zero burning and good agricultural practices.</p> <p>k) Complying the requirement for new planting.</p> <p>l) Against the practice of discrimination by exercising the right of equality in providing opportunities and services regardless of race, gender, religion, politics and nationality.</p> <p>MSPO policy had signed by both smallholders and group manager. Document recorded in the personal file.</p> <p>Smallholders interviewed confirmed they have agreed, signed and undertands the MSPO policy.</p>													
4.1.2.1	<p>SPOC J38 Labis established Senarai impak sosial, persekitaran & pelan tindakan. Document no: MSPO/SSCC/L-04/ISP, revision 02 dated 10/07/2019.</p> <p>Example social impact:</p> <table border="1"> <tr> <td>Activity</td> <td>Pembukaan kawasan kebun, membaja, meracun dan menuai.</td> </tr> <tr> <td>Impact</td> <td>Pemberikan peluang pekerjaan kepada penduduk di Kawasan penempatan sekitar lading.</td> </tr> <tr> <td>Action plan</td> <td>Amalan diteruskan.</td> </tr> </table> <p>Example environmental impact:</p> <table border="1"> <tr> <td>Activity</td> <td>Meracun</td> </tr> <tr> <td>Impact</td> <td>Pelupusan bahan buangan berjadual (tong racun kosong)</td> </tr> <tr> <td>Action plan</td> <td>Pembasuhan 3 kali, ditebuk lubang dan disimpan di tempat khas.</td> </tr> </table> <p>Interviewed with smallholders and site verification indicates smallholders are aware use of empty container. No empty container sighted in the field. Empty container used for spraying activities is marked with red color.</p>	Activity	Pembukaan kawasan kebun, membaja, meracun dan menuai.	Impact	Pemberikan peluang pekerjaan kepada penduduk di Kawasan penempatan sekitar lading.	Action plan	Amalan diteruskan.	Activity	Meracun	Impact	Pelupusan bahan buangan berjadual (tong racun kosong)	Action plan	Pembasuhan 3 kali, ditebuk lubang dan disimpan di tempat khas.	Yes
Activity	Pembukaan kawasan kebun, membaja, meracun dan menuai.													
Impact	Pemberikan peluang pekerjaan kepada penduduk di Kawasan penempatan sekitar lading.													
Action plan	Amalan diteruskan.													
Activity	Meracun													
Impact	Pelupusan bahan buangan berjadual (tong racun kosong)													
Action plan	Pembasuhan 3 kali, ditebuk lubang dan disimpan di tempat khas.													
4.1.2.2	<p>MPOB has provided smallholders with Warta Sawit. Latest Warta sawit was Bil. 71 (1)/ January – April 2019. Warta Sawit been given through MSPO training and LKN visit.</p> <p>Example of training conducted;</p> <ol style="list-style-type: none"> MSPO awareness training conducted on 26/06/2019 by SPOC J38 GM, at Dewan Majlis Daerah Labis. 	Yes												

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Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<p>SPOC J38 Labis established and disseminate training module (booklet copy) to smallholders for them to have a better understanding on MSPO and its requirements.</p> <p>Site verification confirmed the smallholders has received Warta Sawit and attend the MSPO awareness training.</p>	

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>SPOC J38 Labis established Garis Panduan Pelan Daya Ekonomi dan Kewangan document number: MSPO /SSCC/GP-01/PK effective date 10/07/2019.</p> <p>FFB selling records includes;</p> <ul style="list-style-type: none"> a) Date b) Amount c) Price per mt <p>Flow chart of Kebolehejakan perbelanjaan dan pendapatan pekebun kecil established dated 10/07/2019.</p> <p>The flow chart has describes;</p> <ul style="list-style-type: none"> - Menghantar BTS ke ramp - Menerima resit jualan - Simpan resit jualan/rekodkan di BRL - Pengurus Kumpulan SPOC akan menyemak rekod secara berkala. <p>SPOC J38 Labis conducted internal audit dated 29/10/2019 as mechanism for traceability system.</p> <p>Internal audit result has raised 2 NC and 2 OFI. There is findings raised on traceability and close out successfully with evidence provided.</p>	Yes
4.2.1.2	<p>SPOC J38 Labis Rekod Hasil tahun 2018 and 2019 is review. Sighted FFB records for all SPOC members are maintained and monitored.</p> <p>Review on BRL logbook sighted the FFB sales and delivery is recorded include the monthly FFB price.</p> <p>Site interview with smallholders indicates FFB sales and delivery records for month of August, September and October 2019 is available in the BRL logbook.</p>	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	<p>SPOC J38 Labis established Legal register, document number: MSPO/SSCC/L-01/SKU, revision 02, dated 10/07/2019. The list includes laws applicable for Peninsular Malaysia.</p> <p>Example of laws:</p> <ol style="list-style-type: none"> 1. Akta Kualiti Alam Sekeliling 1974. 2. Akta Taman Negara 1980. 3. Akta Pekerjaan 1955. 4. Minimum Wage Order 2018. <p>Smallholders MPOB license was available and within validity period. Copy of licenses was kept in SPOC J38 Labis Office.</p> <p>Awareness training on legal requirement was conducted on. Interview with smallholders indicates they are aware and understand legal requirement.</p> <p>Interview with smallholders indicates they are aware on legal requirement applicable for them.</p>	Yes
4.3.2.1	<p>SPOC J38 Labis members are having either freehold title or lease title.</p> <p>Land titles was issued by Pentadbir Tanah Segamat.</p> <p>Letter from MPOB Group Manager J38 Labis to MPOB Headquarters, dated 31/10/2019. Letter stated on application on changing land use for new SPOC J38 member.</p> <p>The letter states 79 smallholders with land use other than oil palm. Their present land use was for rubber, cocoa, coffee, and orchard.</p> <p>Interview with smallholders indicates there are no land dispute between them and their neighbors.</p>	Yes
4.3.3.1	<p>There are only one Orang Asli member for SPOC J38 Labis. Other SPOC member either have freehold or lease hold titles.</p> <p>Sighted letter from JAKOA to MPOB Cawangan Segamat, dated 27/03/2013. The letter states on acknowledgment of land ownership which stated smallholder name and land area.</p>	Yes
4.3.3.2	<p>Pelan Kawasan Rancangan Pengumpulan Semula (RPS) Masyarakat Orang Asli Mukim Bekok, Daerah Segamat, Negeri Johor was established.</p> <p>The maps does showing location of Orang Asli/SPOC J38 Labis member lot. Maps was acknowledge and sign by JAKOA Officer, Segamat.</p>	Yes

Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	<p>SPOC J38 Labis established SOP complaint and grievance, revision 1, document number MSPO/SSCC/SOP-01/AR dated 10/07/2019.</p> <p>The SOP describes on:</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<ol style="list-style-type: none"> 1. Forms related to complaint and grievances. 2. Process on handling grievances. <p>The procedures established describe on:</p> <ol style="list-style-type: none"> 1. Grievance received by internal controller system/ketua pejabat. 2. Action taken to solve the grievance within 9 days. 3. Total timing for complaint and grievance closure was within 14 days. 4. Any complaint or grievance beyond GM will be hand over to applicable parties. 	
4.4.1.2	<p>Complaint and grievance records book was available at SPOC J38 Labis office.</p> <p>Complaint was manage by internal controller system; which are Ketua Pejabat/ Head Office and SPOC group manager.</p> <p>There are no grievance recorded as per audit conducted.</p>	Yes
4.4.2.1	<p>SPOC J38 Labis established Guidelines for safety and health, revision 0, documents no: MSPO /SSCC/GP-02/KKP. The guideline describes on:</p> <ol style="list-style-type: none"> 1. Responsibility of GM and smallholders regarding safety and health. 2. Procedure and type of PPE used for harvesting, manuring and spraying. <p>Safety and health training was conducted on 26/06/2019 by SPOC J38 Labis Group manager, at Dewan Majlis Daerah Labis.</p> <p>Interview with smallholders indicates they are aware and understand on safety measuring. They would use applicable PPE suitable for the operation (example; harvesting or spraying).</p>	Yes
4.4.3.1	<p>SPOC J38 Labis established form, Terma penggajian pekerja document number MSPO/SSCC/TPP-01, dated 10/07/2019. The form has includes payment rates for operational activities such as harvesting, spraying, manuring and pruning.</p> <p>Observation on individual indicates smallholder are using the form as part of agreement with workers.</p>	Yes
4.4.3.2	<p>SPOC J38 Labis established Syarat Mengupah Pekerja di Kebun Sawit, document number MSPO/SSCC/SMP-01 dated 10/07/2019. The procedures describe on:</p> <ul style="list-style-type: none"> • Against any form of discrimination, and implying human right in terms of opportunities, disregards of races, gender, religion, political affiliation, and nationality. <p>Interview with smallholders indicates no discrimination was occurs and smallholders does understand and respect the right of others.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.3.3	<p>SPOC J38 Labis established form, Terma penggajian pekerja document number MSPO/SSCC/TPP-01, dated 10/07/2019. The form has includes payment rates for operational activities such as harvesting, spraying, manuring and pruning.</p> <p>Form Terma Pengajian Pekerja was implemented for smallholders which using casual workers for their field operation.</p>	Yes
4.4.3.4	There are no permanent workers hired by smallholders. All casual workers are staying at nearby neighborhood village.	Yes
4.4.3.5	<p>SPOC J38 Labis established Syarat Mengupah Pekerja di Kebun Sawit, document number MSPO/SSCC/SMP-01 dated 10/07/2019. The procedures describe on:</p> <ul style="list-style-type: none"> There are no permission to hired young workers below the age of 15-18 years old, for working in dangerous and heavy work. <p>Interview with smallholders indicates no present of child workers on field. Smallholders also aware and understand on legal restriction on hiring under age workers.</p>	Yes
4.4.4.1	<p>Training programe for SPOC J38 Labis established. Sighted Kalender Aktiviti 2019 , Tunas Zon: Selatan 2 which includes Training conducted on 2019 at present was:</p> <ol style="list-style-type: none"> MSPO awareness Training conducted on 26/06/2019 by SPOC J38 GM, at Dewan Majlis Daerah Labis. MSPO awareness Training conducted on 26/09/2019 by SPOC J38 GM, at Dewan Village Fun, Bekok. Chemical handling training and dissemination of chemical box by SPOC J38 GM, dated 08/10/2019, at Pusat Timbang Perusahaan Makim Semarak Labis. <p>SPOC J38 Labis has established and disseminated Training module (booklet copy) to smallholders for them to have a better understanding on MSPO and its requirements</p>	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services				
Indicator	Summary of Assessment		Compliance	
4.5.1.1	SPOC J38 Labis established list of Environmental Impact and action plan, document number MSPO/SCCS/L-04/ISP, issue number 02, revision 02 effective date 10/07/2019.		Yes	
	Activity	Environmental Impact		Action Plan
	Spraying chemicals	Schedule waste disposal (empty chemical containers)		Triple rinsing, and store at chemical storage area.

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Principle 5: Environment, natural resources, biodiversity and ecosystem services																							
Indicator	Summary of Assessment				Compliance																		
	New planting	Air pollution due to open burning of plant waste.	Observed zero open burning, good practice in managing																				
	Poultry	Water contamination	Practice monitoring and good poultry practices.																				
	Interview with GM SPOC J38 Labis, the impact of environmental being brief during their LKN visit at smallholder fields. Smallholders that has been interviews shows they are aware on environmental impacts on their activities. They does selective spraying, proper drainage and conserved grass area during spraying chemicals.																						
4.5.2.1	Field observation on smallholders indicates there are no renewable energy used by smallholders. The smallholders do not have the capacity and capability to use renewable energy.				Yes																		
4.5.3.1	SPOC J38 Labis has adopt the established of list of schedule waste and domestic waste, document number MSPO/SSCC/L-03/SRD, issue 02, revision 0, dated 10/07/2019. Example list : From agriculture input: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Agricultural input</th> <th>Waste produced</th> <th>Impact</th> </tr> </thead> <tbody> <tr> <td>Fertilizer</td> <td>Plastic from fertilizer beg</td> <td>Polluting natural and ground water resources</td> </tr> <tr> <td>Weedicide</td> <td>Empty chemical containers</td> <td>Breeding ground for mosquito Polluting water sources</td> </tr> </tbody> </table> From non-agricultural input: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Agricultural equipment</th> <th>Waste produced</th> <th>Impact</th> </tr> </thead> <tbody> <tr> <td>Chemical pump</td> <td>Access chemical mix</td> <td>-Breeding ground for mosquito -Polluting water sources</td> </tr> <tr> <td>Agricultural machineries</td> <td>Use tire Used lubricant oil</td> <td>Cause injury Polluting the soil surface.</td> </tr> </tbody> </table>				Agricultural input	Waste produced	Impact	Fertilizer	Plastic from fertilizer beg	Polluting natural and ground water resources	Weedicide	Empty chemical containers	Breeding ground for mosquito Polluting water sources	Agricultural equipment	Waste produced	Impact	Chemical pump	Access chemical mix	-Breeding ground for mosquito -Polluting water sources	Agricultural machineries	Use tire Used lubricant oil	Cause injury Polluting the soil surface.	Yes
Agricultural input	Waste produced	Impact																					
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Principle 5: Environment, natural resources, biodiversity and ecosystem services				
Indicator	Summary of Assessment			Compliance
			Breeding ground for mosquito	
	<p>Interview with GM SPOC J38 Labis, the list of waste has been briefed during their LKN visit at smallholder fields.</p> <p>Interview with smallholder, confirm that they can identify the existing waste generate from their activities.</p>			
4.5.3.2	<p>SPOC J38 Labis has adopt on established SOP for Managing Schedule waste SOP number MSPO/SSCC/SOP-03/BT, issue: 02, revision: 02 dated 10/07/2017. Stated in the SOP:</p> <ol style="list-style-type: none"> 1. Any cleaning of empty chemical container MUST NOT used with natural water resources such as river and water stream. 2. Empty chemical containers were to be wash three times using clean water before storage. 3. Empty chemical containers need to be punctured unless for re used as storage of water for chemical spraying activities. 4. All disposal of empty chemical container can only be disposed through DOE Licensed Contractor only. <p>During field observation on smallholder's area, they does not store any chemicals containers. Most smallholder will do their own spraying and manuring activities in their field, while some of them will be held by hiring dealers or independent FFB collected.</p> <p>Smallholder will kept the used empty chemical containers in their house and will reuse the containers for kept water for spraying activities in the fields.</p>			Yes
4.5.4.1	<p>Good Agriculture Practices (GAP) has being briefing during training for the smallholders on 26/06/2019 and 26/09/2019 at Dewan Majlis Daerah Labis & Dewan Village Fun Bekok. Stated in the training materials:</p> <ol style="list-style-type: none"> 1. Proper frond stacking. 2. Pruning SOP. 3. Spraying and preservation of soft grass. 4. Conservation on riparian areas and non-permitted activities on such area. <p>Interview with GM SPOC J38 Labis, the Good Agricultural Practices (GAP) has been briefed during their LKN visit at smallholder fields.</p> <p>Interviews with smallholder (J38/54), (J38/142) and (J38/161) indicates that they are aware and understand and practice the GAP procedures.</p>			Yes
4.5.4.2	<p>Water harvesting has been implemented by smallholders. Smallholder (J38/54) use culvert for collecting rain water used for chemical spraying. While, (J38/142) and (J38/161), construct riparian along their boundaries for collecting rain water in the purpose to retain water for their palm trees.</p>			Yes
4.5.5.1	<p>Training on 'Pengenalan Kepada Akta & Spesies Hidupan Liar yang Terancam' has been conducted on 26/09/2019 which deliver by</p>			Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>representative from Jabatan Perhilitan Daerah Segamat. The training conducted has included:</p> <ol style="list-style-type: none"> 1. Slides on role and function of Jabatan Perhilitan. 2. Introduction and awareness on Akta Perlindungan Hidupan Liar 1972. 3. List of protected species. <p>Sighted List of wildlife sighted in SPOC J38 Labis.</p> <p>Example:</p> <p>Protected wildlife:</p> <ol style="list-style-type: none"> 1. <i>Tapir</i> 2. <i>Tenggiling</i> 3. <i>Ungka</i> <p>Protected bird species:</p> <ol style="list-style-type: none"> 1. <i>Enggang</i> 2. <i>Mata merah</i> 3. <i>Belatuk</i> <p>The list has been verified by Ketua Jabatan Perhilitan Daerah Segamat.</p> <p>Interview with smallholders stated they also aware of several wildlife present in their field such as wild boar, elephant and monkey. Smallholders does understand that any of RTE occurred in their field should notify to MPOB officer.</p> <p>Interview with GM SPOC J38 Labis, confirm they has communicate with smallholders on any grievance which related with RTE spotted in their area.</p> <p>Smallholders confirm on case of elephant attack and damaging several oil palms within their field, the case was acknowledge by GM SPOC J38 Labis and was brought forward to Jabatan Perhilitan Daerah Segamat for further action.</p>	
4.5.6.1	<p>Sighted Zero Burning Practice for SPOC J38 Labis, document no, MSPO/SSCC/GP-04/APS, issued: 02, revision: 02 with effective date 10/07/2019 was established.</p> <p>Guideline have specify 4 point as in below :</p> <ol style="list-style-type: none"> 1. <i>Pembakaran terbuka adalah dilarang dibawah permbakaran sifar ASEA (1999) dan perintah Kualaiti Alam Sekeliling (Aktiviti Yang Diisytiharkan)(Pembakaran terbuka 2003)</i> 2. <i>Pekebun kecil adalah dilarang untuk melakukan sebarang aktiviti pembakaran terbuka semasa kerja pembukaan ladang/tanam semula</i> 	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>3. Teknik pembakaran sifar semasa kerja pembukaan ladang atau tanam semula pada dasarnya melibatkan penebangan pokok, mencincang bahagian pokok, dan meninggalkan sisa-sisa pokok di antara teres bagi process penguraian secara semula jadi tanpa melibatkan sebarang aktiviti pembakaran</p> <p>4. Tidak ada pembakaran terbuka apa-apa jenis pada unit operasi, kecuali yang dianggap perlu dengan mematuhi perintah kualiti alam sekeliling (pembakaran terbuka) (2003) dan mendapat kelulusan Jabatan Alam sekitar terlebih dahulu.</p> <p>Interview with GM SPOC J38 Labis, the Good Agricultural Practices (GAP) has been briefed during their LKN visit at smallholder fields.</p> <p>Site visit to smallholders indicates no open burning occur in the field and smallholder are aware that open burning is not a practice in their fields.</p>	

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>SPOC J38 Labis has conducted the training regarding the GAP for the smallholders on 26/06/2019 and 26/09/2019 at Dewan Majlis Daerah Labis & Dewan Village Fun Bekok.</p> <p>Interview with GM SPOC J38 Labis, the Good Agricultural Practices (GAP) has being brief during their LKN visit at smallholder fields.</p> <p>Field observation had found the smallholder has implement few best practice:</p> <ul style="list-style-type: none"> - Frond stacking as organic fertilizer and safety purpose during working in fields. - Harvesting Twice a month - Keep Water Along Boundary riparian - Good on Grass reservoir maintenance 	Yes
4.6.1.2	<p>During on site visit at smallholder field, sighted formal identification or signage has been available and established in form of board particular information :</p> <ul style="list-style-type: none"> - Name of smallholder - Lot - Area planted - Year of planted - Coordinated GPS <p>The signage is available at all sampled smallholders field.</p>	Yes
4.6.2.1	<p>SPOC J38 Labis use 'Kertas kerja permohonan peruntukan untuk mengadakan taklimat bagi SPOC J38 Labis' dated 26/06/2019 for allocation</p>	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	of budget for training application document for claim by SPOC J38 Labis sent to Institute of Malaysian Plantation and Commodities (IMPAC) for approval. The application was approved by IMPAC for MSPO programme. Training was conducted for smallholder on 26/06/2019 and 26/09/2019 at Dewan Majlis Daerah Labis & Dewan Village Fun Bekok.	
4.6.3.1	<p>SPOC J38 Labis has conducted taklimat GAP for the smallholders on 26/06/2019 and 26/09/2019 at Dewan Majlis Daerah Labis & Dewan Village Fun Bekok. The session also attended by representative from Collection Center & nearby Palm Oil Mills in SPOC J38.</p> <p>During field interview with smallholders, they are aware on FFB price via FFB price display on dealer's office or via phone call to dealer or FFB collectors.</p> <p>Interviews with smallholders (J38/54), (J38/142) and (J38/161) confirm that they has engage dealer from collecting center to manage their fields from spraying, manuring, harvesting, frond stacking and collecting FFB for selling with mutual agreement.</p>	Yes

Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	<p>SPOC J38 Labis planting statement is review. The first planting conducted on 1993 and the latest planting conducted on 2018. There is replanting activity conducted for new member with acreage 2.50 hectare in 2019.</p> <p>Borang permohonan menyertai MSPO SPOC J38 is review. Sighted points under pengurusan kebun is compliance on "tidak menanam dan menggunakan bahan kimia di kawasan" buffer zone.</p>	Yes
4.7.2.1	<p>SPOC J38 Labis planting statement is review. The first planting conducted on 1993 and the latest planting conducted on 2018. There is replanting activity conducted for new member with acreage 2.50 hectare in 2019.</p> <p>Borang permohonan menyertai MSPO SPOC J38 is review. Sighted points under pengurusan kebun is compliance on "mengamalkan pemuliharaan tanah dan air (takungan lumpur/sungkupan/simpan rumput lembut/kekecang penutup bumi/terrace/tiada blanket spraying/tidak meracun di kawasan aliran air). Stated in the MSPO form, the soil type is mineral soil.</p>	Yes
4.7.3.1	<p>SPOC J38 Labis planting statement is review. The first planting conducted on 1993 and the latest planting conducted on 2018. There is replanting activity conducted for new member with acreage 2.50 hectare in 2019.</p> <p>Borang permohonan menyertai MSPO SPOC J38 is review. Sighted points under pengurusan kebun is compliance on "tidak menanam di kawasan yang sangat curam (>25°). Stated in the MSPO form, the planted area was below 25°.</p>	Yes

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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.
X	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.
	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

AUDIT OUTCOME		
During last Audit	1	MAJOR Non-Conformities
	0	MINOR Non-Conformities

Non Conformity Number < 1 >			
Indicator # and Description	Indicator: 4.2.1.2 To keep records of sales and delivery or transportation of fresh fruit bunches. (MAJOR)		
Location:	SPOC J38 Office		
Description of Finding / Objective Evidence:			
SPOC group manager has established records of sales of fresh fruit bunch for the smallholders for year 2018. Total number of smallholders that produce FFB were 66 members. However, only 12 smallholders FFB's record was maintained out of 66 smallholders.			
Classification	<input checked="" type="checkbox"/> Major	<input type="checkbox"/> Minor	
Raise by:	Muhammad Khairul Anuar b. Azizul Hasan	Date Raise:	08/01/2019
Deadline for implementation		09/03/2018	
Root Cause Analysis (by company):			
Pihak MPOB telah memberikan taklimat berkaitan penyimpanan rekod –rekod hasil dan perbelanjaan kepada pekebun atau pengusaha supaya menyimpan rekod tersebut . Pihak MPOB tidak dapat merekodkan keseluruhan data BRL peserta SPOC J38 Labis yang telah berhasil kerana kekangan masa dan tenaga kerja.			
Correction (by company):			
Data BRL untuk peserta SPOC J38 Labis yang tanaman pokok sawit telah mencapai usia 5 tahun dan ke atas telah dilengkapkan seperti dilampiran A.			
Corrective / Preventive Action (by company)			

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Non Conformity Number < 1 >	
Perancangan pengumpulan hasil BRL untuk 2019 telah dibuat yang mana data hasil akan diambil selang 6 bulan sekali (2 kali setahun). Pada Julai 2019 pengumpulan data hasil untuk Jan- Jun 2019 manakala pada Jan 2020 pengumpulan data hasil untuk Julai – Dis 2019. Jadual program rekod hasil BRL ada dilampirkan di Lampiran A.	
Review of Correction & Corrective / Preventive Action	
Annex A for FFBs records for smallholders with harvesting is reviewed and considered sufficient to close the NC. Will further review during next surveillance audit.	
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Name of Lead Auditor: Muhammad Khairul Anuar bin Azizul Hasan	Date of Closure: 27/02/2019
Review of Implementation	
Rekod Hasil FFB SPOC J38 Labis tahun 2018 and 2019 is review. The record shows that all SPOC J38 Labis members obtain their own FFB records. The record established for individual smallholders. The evidence provided is sufficient to close the NC raised.	
Name of Lead Auditor: Muhammad Khairul Anuar bin Azizul Hasan	Date of Review: 05/11/2019

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,	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

Nr.	Indicator	Location	Opportunity for Improvement
1.	4.4.3.1	Field	SPOC J38 Labis could consider to improve on usage of form established.
2.	4.4.4.1	Field	SPOC J38 Labis could consider in improving training on environmental awareness.
3.	4.5.3.2	Field	SPOC J38 Labis could consider to improve on disposal of empty chemical container.
4.	4.6.1.1	Field	SPOC J38 Labis could consider to improve on Good Agricultural Practices at smallholders field.

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 J38 Labis consisting of 309 independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

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:	309	Smallholders
Total certified acreage of smallholders:	899.08	Ha
Certified FFBS output January to September 2019:	18,635.44	Mt
FFBs projection October to December 2019:	1,552.95	Mt
FFBs projection January to December 2020:	19,566	Mt

6. RECOMMENDATION

The audit team conducted a process-based audit focussing 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, 06/01/2020



Muhammad Khairul Anuar bin Azizul
Hasan
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 06/01/2020



Nur Amanina Zahir
TUV NORD (Malaysia) Sdn Bhd
Certifier / Approver

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7. LIST OF INTERVIEWEES

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

No.	Name	Organization / Function
1	Ariff bin Abd Karim	Felda Global Ventures
2	Muhamad Syahrizat bin Alwee	Pejabat Tanah Labis

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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
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