

MSPO CERTIFICATION SUMMARY REPORT

MPOB SPOC J34 JORAK / PENGKALAN
BUKIT

SURVEILLANCE 01

Remote Audit Date: 22/06/2020 - 23/06/2020

Onsite Audit Date: 01/09/2020 - 03/09/2020

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: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Table of Contents

1.	INTRODUCTION	4
1.1.	Objective	4
1.2.	Scope	4
1.3.	Appointment & Qualification of Audit Team Members	4
2.	METHODOLOGY	9
3.	ORGANISATION INFORMATION	14
4.	CERTIFICATION ASSESSMENT	16
4.1.	Annual Surveillance 01	16
4.2.	Stakeholders' Consultation	17
4.3.	Summary of Assessment	17
4.4.	Status of Non-Conformities Previously Identified	25
4.5.	Detail of Audit Findings in last Audit	26
4.6.	Detail of Audit Findings Identified During This Audit	26
5.	CONCLUSION	30
6.	RECOMMENDATION	31
7.	LIST OF INTERVIEWEES	32
	Annex / Enclosures	33

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



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: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



1. INTRODUCTION

MPOB has commissioned TÜV NORD (Malaysia) Sdn Bhd to conduct surveillance audit 01 audit for SPOC J34 Jorak/ Pengkalan Bukit 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 J34 Jorak / Pengkalan Bukit as group manager managing the independent smallholders by an independent certification body for compliance of the applied standard.

1.2. Scope

The assessment is based on the documentation established by MPOB Cawangan SPOC J34 Jorak / Pengkalan Bukit 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, three team members and one trainee auditor. The team contribute to the review of documents, assessment of the project activity and preparation of this report.

Qualification of the Lead Auditor: Zul Hairi Bin Abu Hassan

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;	Graduate in Plantation Industry Management.

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Requirement	Qualifications
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)	9 years working experience in oil palm plantations.
Successfully completed MS 2530 series of standards training	Successfully completed MS2530 series of standards training
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 lead auditor based on audit log.
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	9 years working experience in oil palm plantations.
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	9 years working experience in oil palm plantations.
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Successfully completed ISO 45001:2018 Lead Auditor 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 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 ISO 14001 LA course and auditor for MSPO scheme.

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



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 Applied Science (Major In Agrobiology).	Yes
	Ariff Bin Lokman	Graduate in Plantation industry management.	Yes
	Khairul Anwar Bin Ismail	Graduate In Agricultural Science	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Graduate in Plantation Management	Yes
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 plantations.	Yes
	Ariff Bin Lokman	7 years working experience in oil palm plantations.	Yes
	Khairul Anwar Bin Ismail	5 years working experience in oil palm plantations.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	8 years of working experience in oil palm plantations	Yes
Successfully completed MS 2530 series of standards training	Mohamad Norhisham Bin Mohd Salleh	Successfully completed MS2530 series of standards training.	Yes
	Ariff Bin Lokman	Successfully completed MS2530 series of standards training.	Yes
	Khairul Anwar Bin Ismail	Successfully completed MS2530 series of standards training.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Successfully completed MS2530 series of standards training.	Yes
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	Mohamad Norhisham Bin Mohd Salleh	Qualified and appointed as auditor for MSPO scheme.	Yes
	Ariff Bin Lokman	Qualified and appointed as auditor for MSPO scheme.	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Requirement	Assessor	Qualification	Compliance
equivalent sustainability certification schemes.	Khairul Anwar Bin Ismail	Qualified and appointed as auditor for MSPO scheme.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Auditor in training	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.	Mohamad Norhisham Bin Mohd Salleh	Able to communicate in Bahasa Malaysia and English.	Yes
	Ariff Bin Lokman	Able to communicate in Bahasa Malaysia and English.	Yes
	Khairul Anwar Bin Ismail	Able to communicate in Bahasa Malaysia and English.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Able to communicate in Bahasa Malaysia and English.	Yes
Field working experience in the palm oil sector, or demonstrable equivalent	Mohamad Norhisham Bin Mohd Salleh	Qualified and appointed as auditor for MSPO scheme.	Yes
	Ariff Bin Lokman	Qualified and appointed as auditor for MSPO scheme.	Yes
	Khairul Anwar Bin Ismail	Qualified and appointed as auditor for MSPO scheme.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Auditor in training	Yes
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Mohamad Norhisham Bin Mohd Salleh	Qualified and appointed as auditor for MSPO scheme.	Yes
	Ariff Bin Lokman	Qualified and appointed as auditor for MSPO scheme.	Yes
	Khairul Anwar Bin Ismail	Qualified and appointed as auditor for MSPO scheme.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Auditor in training	Yes
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 ISO 45001:2018 Lead Auditor course.	Yes
	Ariff Bin Lokman	Successfully completed IMS ISO 45001:2018 Lead Auditor course.	Yes
	Khairul Anwar Bin Ismail	Successfully completed IMS ISO 45001:2018 Lead Auditor course.	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Requirement	Assessor	Qualification	Compliance
	Jasmandy Bin Syahrul (Trainee Auditor)	Successfully completed IMS ISO 45001:2018 Lead Auditor course.	Yes
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 Basic SA 8000 training.	Yes
	Ariff Bin Lokman	Successfully completed Basic SA 8000 training.	Yes
	Khairul Anwar Bin Ismail	Successfully completed Basic SA 8000 training.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Successfully completed Basic SA 8000 training.	Yes
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 ISO 14001:2015 Lead auditor course and auditor for MSPO scheme.	Yes
	Ariff Bin Lokman	Successfully completed IMS ISO 14001:2015 Lead auditor course and auditor for MSPO scheme.	Yes
	Khairul Anwar Bin Ismail	Successfully completed IMS ISO 14001:2015 Lead auditor course and auditor for MSPO scheme.	Yes
	Jasmandy Bin Syahrul (Trainee Auditor)	Successfully completed IMS ISO 14001:2015 Lead auditor course and auditor for MSPO scheme.	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



2. METHODOLOGY

The audit approach is remote and or onsite audit 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;

Remote Audit:

- Remote audit for document assessment and virtual communication with clients.
- Remote audit reporting.

Onsite Audit:

- 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
- Final approval, certification decision and issuance of certificate.

Surveillance 01 Audit:

Surveillance 01 audit conducted on 22/06/2020 – 23/06/2020 for Remote and on 01/09/2020 – 03/09/2020 for Onsite covers the following activities but not limited to below:

Remote:

- Desk documentation assessment;
- Reviewed revised and updated documentation established;
- Training records;
- Reports established;
- Assessment reporting;

Onsite:

- Onsite visit, observations and inspections of farms management and activities;
- Interview smallholders;
- Reviewed revised and updated documentation established and implemented;

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



- 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 2 and special audit;
- Assessment reporting;

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

The group of smallholders consists of 133 new members and 498 old members.

Based on the formula, the sample size for old members $S = 1.5\sqrt{498} = 33.47$, the sample size for new members $S = 1.5\sqrt{133} = 17.29$. Therefore, the total of new smallholders 17.29 round up to next integral of 18 and old members are 33.47 round up to the next integral of 34. Thus, a total of $18 + 34 = 52$ 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	Address
Ng Chong Tee @ Chu Ng Chaho	No. 457, Jalan Paya, Batu 6, Bakri, 84200, Muar, Johor
Ali Bin Manap	Lorong Aman, Parit Osman Kiri, 84300 Bukit Pasir, Muar, Johor
Hu Kar Lee	No. 35, Jalan Tu 27, Taman Tasek Utama, Ayer Keroh, 75450, Melaka
Abdul Latif Bin Abdullah	No. 1/5, Kampung Muda Jaya, Batu 6, Pagoh, 84600, Muar, Johor
Low Siew Peng	No. 49, Taman Permata, Bukit Pasir, 84300, Muar, Johor
Tee Hun Lian	No. 301, Pekan Pagoh, 84600 Muar, Johor.

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Putih Bin Kamti	Kg Sari Baru, Pagoh, 84600 Muar, Johor.
Semah Binti Paiman	Lot 8687 Kampung Masyarakat Jasa, Pagoh, 84600 Muar, Johor.
Toh Lye Whatt @ Toh Lai Haut	Lot 3841-7, Jln Utara, Bukit Bakri, 84200 Muar, Johor.
Foo Hock Peng	No 221, Pekan Pagoh, 84600 Muar, Johor.
Ramli Bin Salleh	No. 42, Kampung Raja, Pagoh, 84600 Muar, Johor.
Zaidin Bin Alian	No 32, Kampung Sari Baru, Pagoh, 84600 Muar, Johor.
Abd Karim Bin Kasdi	Pos 104, Kampung Melayu, Panchor, 84500, Muar, Johor
A. Rahman Bin Othman	No 106, Jln 5, Taman Sri Pagoh, 84600 Pagoh, Muar.
Lye Tee Yau	No. 49, Taman Permata, Bukit Pasir, 84300, Muar, Johor
Tan Tai Teng @ Tan Tai Tong	No. 9, Jalan Penghulu Muhammad, Pagoh, 84600, Muar, Johor
Tan Suo Liang	No. 13, Jalan Perdana 2/4, Taman Bukit Perdana 2, 83000, Batu Pahat, Johor
Akitat @ Ahitat Bin Abd Yani	No. 54, Kampung Sari Baru, Pagoh, 84600, Muar, Johor
Yahya Bin Ismail @ Amat Jin	No. 43-A, Kampung Semaseh, Panchor, 84500, Muar, Johor
Kumeran A/L Govindasamy	No. 57, Jalan Sri 2, Taman Sri Pagoh, Pagoh, 84600, Muar, Johor
Kaliammah A/P Muthusamy	Batu 23, Jalan Ban Heng, Pagoh, 84600 Muar, Johor
Dul Salam @ Abdul Salam Bin Damio	No. 18, Jalan Temenggong Ahmad, 84000, Muar, Johor
Chia Soon Chai	No 29, Jalan Sri Pagoh, Taman Sri Pagoh, 84600 Muar, Johor
Ng Sah Aik	No. 52, Blok A, Bukit Pasir, 84300, Muar, Johor
Lee Han Wee	A-18-6, Endah Regal Condo, Jalan Sri Endah, 57000, Kuala Lumpur
Yap Keng Siong	No. 400, Jalan Sekolah, Pagoh, 84600, Muar, Johor
Tay Tong Hock	No. 137-19, Pekan Pagoh, 84600, Muar, Johor
Rusdi Bin Mosman @ Othman	Km 12, Jalan Sengkang, Pagoh, 84600, Muar, Johor
Ng Sing Lee	No. 19, Pekan Pagoh, 84600, Muar, Johor

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Woon Sun Moy	No. 163, Jalan Sekolah Cina, Pagoh, 84600, Muar, Johor
Wahgisah Binti Demin	Lot 1956, Kampung Jawa, Panchor, 84500 Muar, Johor
Suleiman Bin Mustapha	No. 204-1 Kampung Sawah, Paya Redan, Pagoh, 84600, Muar, Johor
Gan Sew Sok	No 18, Jalan Penghulu Mohamad, Pagoh, 84600 Muar, Johor.
On Ah Hook	No 18, Jalan Penghulu Mohamad, Pagoh, 84600 Muar, Johor.
Wong Teck Heong	No 134/12b, Jalan Besar Pagoh, 84600 Muar, Johor.
Rajesuary A/P Kunchiraman	Po Box 103, Jalan Batu 11, Bukit Pasir, 84300, Muar, Johor
Lim Cheng Khoon	No. 59, Jalan Bakariah, Taman Muar, 84000, Muar, Johor
Tan Sew Lian	No. 207, Jalan Sawmill, Bukit Pasir, 84300, Muar, Johor
Supromany A/L C Ramrady	Qrts Kilang Kelapa Sawit, Bukit Pasir, 84300, Muar, Johor
Ponusamy A/L Rajamanikam	No. 103, Lorong 1, Taman Permatang Pasir, Bukit Pasir, 84300, Muar, Johor
Saimon Bin Kariman	TI Ks 28, Kampung Sawah, Paya Redan, Pagoh, 84600, Muar, Johor
Tan Pio Seng	No. C-6, Kampung Jawa, Panchor, 84500, Muar, Johor
Wong Nye Moy	No. 207, Blok A, Jalan Sawmill, Bukit Pasir, 84300, Muar, Johor
Tan Kian Peng	Batu 13, Kg Masyarakat Jasa, Panchor, 84500 Muar, Johor.
Hamid Bin Hj Ahmad	Kampung Olak Sepam, Pagoh, 84600 Muar, Johor.
Wong Yu Wee	No. 137 - 1213, Jln. Besar, 84600 Pagoh, Muar, Johor.
Bariah Binti Kariman	No. 15, Jalan Sri Bayu 4, Taman Sri Bayu, Labis, 85300, Segamat, Johor
Jawiah Binti Kariman	No. 15, Jalan Sri Bayu 4, Taman Sri Bayu, Labis, 85300, Segamat, Johor
Na Choon Huat	19 Lorong Jelawat 6 Taman Sg Abong 84000 Muar Johor
Lai Ngu	No 68 Jln Kemunting Rumah Rakyat 84600 Muar Johor

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Mamat Bari Bin Sadali	No 19, Kampung Semeriot Pagoh, 84600, Muar Johor
Noor Aida Binti Deros	No 26-A Kg Semeriot Pagoh 84600 Muar Johor

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: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



3. ORGANISATION INFORMATION

MPOB Cawangan SPOC J34 Jorak / Pengkalan Bukit, is a branch of MPOB located at No 33 (Tingkat 1), Jalan Kasawari 21/7, Taman Sungai Abong Permai 2, 84000 Muar, Johor. GPS coordinate: N 2° 03' 2" N, E 102° 36' 24.3" is managed by a group manager and supported by a team officers to manage the cluster providing technical support, estate management skills and training as well as develop the independent smallholders' scheme around the Muar district.

The locations for the smallholders are in Jorak / Pengkalan Bukit as shown in the below maps.



Figure 1

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite

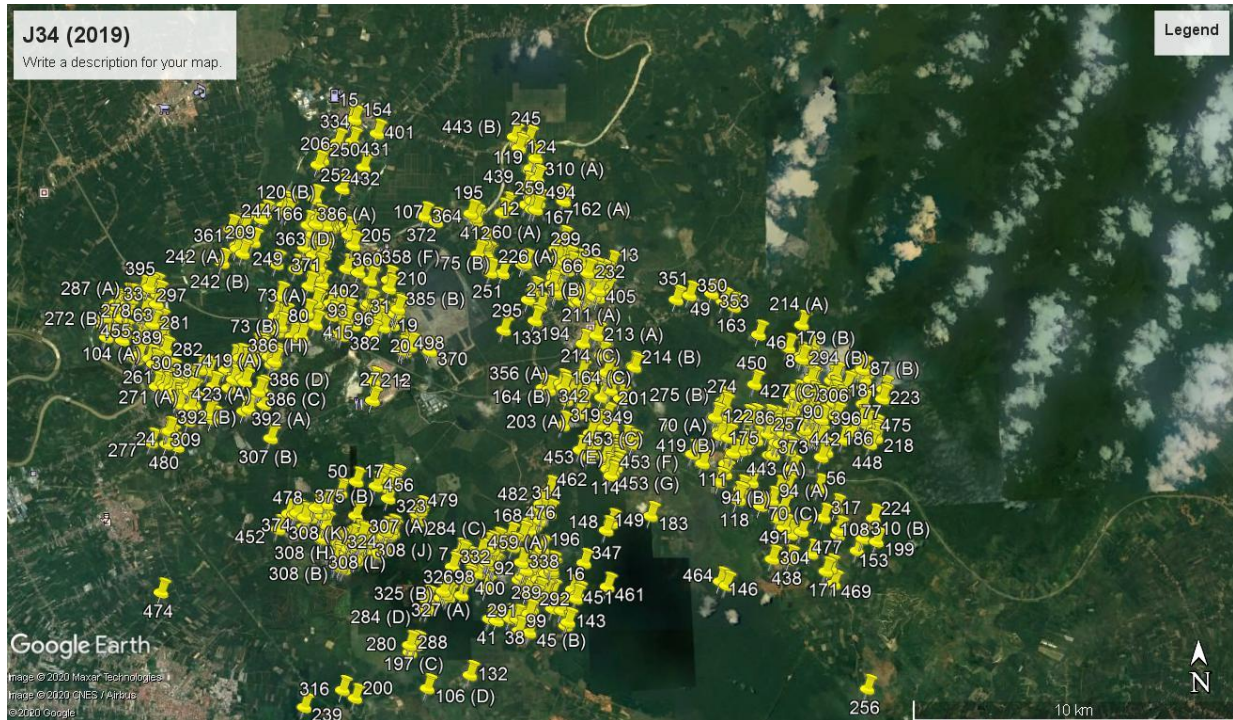


Figure 2

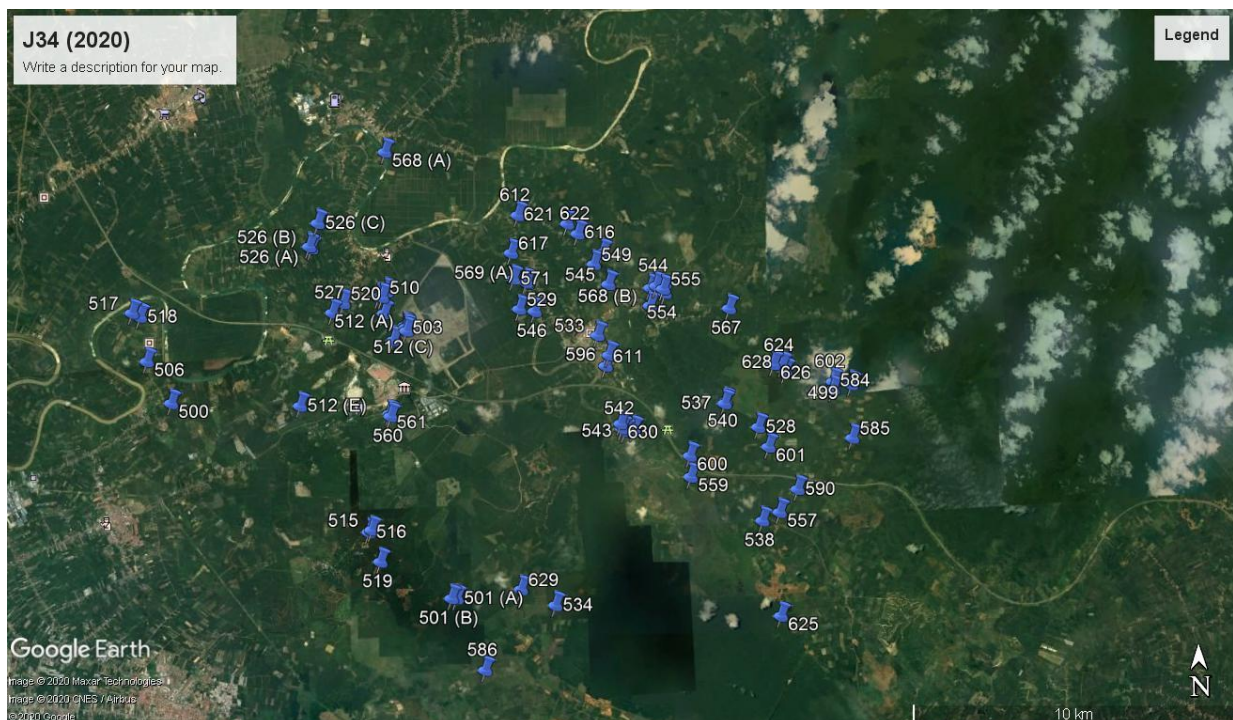


Figure 3

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



4. CERTIFICATION ASSESSMENT

4.1. Annual Surveillance Audit 01

The objective of the audit is to assess the activities of MPOB Cawangan SPOC J34 Jorak / Pengkalan Bukit are in compliance with MS 2530-2: 2013 Part 2: General principles for independent smallholders' requirements.

4.1.1. Surveillance 01:

There are 631 smallholders joined the certification during surveillance audit.

The total number of smallholders 498 remain the same during surveillance audit.

During this surveillance audit, 133 of smallholders join the program.

The surveillance audit is conducted on 22/06/2020 to 23/06/2020 for remote audit. Onsite audit conducted on 01/09/2020 to 03/09/2020 that include inspection of the smallholders farms, 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 01 audit, there is 0 Major, 0 Minor and 3 OFIs raised.

During the Remote surveillance audit, there is 0 Major, 0 Minor and 2 Opportunities for Improvement (OFI) are raised.

During onsite audit, there are 2 Opportunities for Improvement (OFI) raised during remote audit, the audit team has review by means of inspection field, conduct interviews, review and verify documents that are established, corrected and implemented appropriately by the SPOC Team.

During the onsite audit, there are no non-compliance and 1 Opportunities for Improvement (OFI) raised.

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 4.6 of this audit report.

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



4.2. Stakeholders' Consultation

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 30/07/2020 as to accommodate stakeholder's consultation meeting for J34 Jorak / Pengkalan Bukit to provide comments. As at audit date on 01/09/2020 there are no comments received.

During Remote Audit, stakeholder's consultation was conducted on 22/06/2020 via phone calls. Of the list of stakeholders called 2 responded.

During onsite audit, invitations letters are sent on 31/07/2020 to invite relevant stakeholders to attend a local stakeholders consultation on 01/09/2020 in accordance to §7, 3.2 of the Certification Procedure requirements, however, there are no attendance. The stakeholder's consultation conducted on 01/09/2020 via phone calls. Of the list of stakeholders called 5 responded.

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 finding	Comments or Feedback to SPOC
1	Any information from Group Manager for MSPO audit?	Stakeholders are aware regarding the MSPO awareness and able to demonstrate understanding of social, environment and safety & health	No action required
2	Social issues	Stakeholders are not local communities, therefore no comments on this topic.	No action required
3	Understanding of Land Title – Native, Customary Land, Freehold, Leased, Land application (LA)	Stakeholders are not local communities, therefore no comments on this topic.	No action required
4	Economy / Livelihood	There is no impact to livelihood after the introduction of MSPO.	No action required

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



	Is there any impact on livelihood after the introduction of MSPO?		
5	Does MSPO largely benefits the local communities?	The stakeholder highlighted there is improvement of FFB quality from the smallholders after the MSPO Implementation	No action required
6	Any environment awareness provided by SPOC	Interview Stakeholders confirm the awareness of environment had been provided during MSPO training and LKN by Group Manager.	No action required
7	Any wildlife awareness by SPOC	Interview Stakeholders confirm the awareness of wildlife had been provided during MSPO training.	No action required
8	FFB quality	Interview Stakeholders confirm the Stakeholders aware regarding to FFB Quality and no issue related to FFB Quality.	No action required
9	Are there any plantation practices that affect you?	Interviewed stakeholders are not local communities. Therefore, no input for this topic.	No action required
10	Do you consider any management conflict with the MSPO principles and criteria?	Stakeholders informed there is no conflict in between SPOC J32 Sri Menanti group management and MSPO requirement.	No action required
11	Do you have any suggestions for SPOC management?	No suggestion.	No action required

4.3. Summary of Assessment

Principle and Criteria Assessment Summary

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

Principle 1: Management Commitment & responsibility

Indicator	Summary of Assessment	Compliance
4.1.1.1	SPOC J34 Jorak / Pengkalan Bukit established MSPO policy dated 01/03/2019 signed by Group Manager.	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<p>SPOC J34 Jorak / Pengkalan Bukit adopted MPOB MSPO certification application form with the MSPO policy included duly agreed and signed by smallholder and acknowledged by SPOC GM.</p> <p>Application forms available in smallholders file signed and latest submitted on 25/09/2019 and acknowledged by SPOC GM on 30/09/2019.</p> <p>During site verification, interviewed smallholders aware of MSPO requirements.</p>	
4.1.2.1	<p>SPOC J34 Jorak /Pengkalan Bukit established continues improvement plan, Senarai Impak Social, Persekitaran & Pelan Tindakan. Document no: MSPO/SSCC/L-04/ISP, issue no 2, rev 2 date effective: 01/06/2020.</p> <p>The table include topic on activity, social impact and improvement plan.</p> <p>SPOC J34 Jorak / Pengkalan Bukit established "Covid-19 Safe Occupational Safety Procedures dated June'2020. The person in-charge to implement and monitor the procedure is Tunas Officer"</p> <p>SPOC J34 Jorak/ Pengkalan Bukit established CIP include monitoring of the land use conversion</p>	Yes
4.1.2.2	<p>SPOC J34 Jorak/Pengkalan Bukit distribute Warta Sawit to smallholders during LKN visit on 15/03/2020.</p> <p>SPOC J34 establish "Covid-19 Safe Occupational Safety Procedures dated June'2020. The person in-charge to implement and monitor the procedure is group manager". The procedure include the group exercise and training procedure.</p> <p>During interview with smallholders, they obtained new information from group manager and from the 'Warta Sawit'.</p>	Yes

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>SPOC J34 Jorak / Pengkalan Bukit adopted MPOB Manual Prosedur Kerja (MPK) Pensijilan Minyak Sawit Mampan Malaysia (MSPO) doc no: MPK-rev03, dated review 01/06/2020. MPK has include:</p> <p>The guidelines describes the traceability flow such as 'Pegawai Tunas merekod hasil jualan setelah pekebun kecil menerima bayaran dari pusat timbang atau kilang berdasarkan Salinan resit dan tiket timbang.</p> <p>SPOC J34 Jorak/ Pengkalan Bukit Group manager monitor smallholders FFB sales and delivery using the BRL.</p>	Yes
4.2.1.2	<p>SPOC J34 Jorak / Pengkalan Bukit provide Buku Rekod Ladang (BRL) in order to obtain the records of sales and delivery and other expenses of all smallholders.</p> <p>Group Manager keep records of smallholders FFB sales to respective collection center or mills.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Principle 2: Transparency

Indicator	Summary of Assessment	Compliance
	Interview smallholders inform FFB sales and delivery records available and copies are kept.	

Principle 3: Compliance to legal requirements

Indicator	Summary of Assessment	Compliance
4.3.1.1	<p>SPOC J34 Jorak / Pengkalan Bukit established lists of legal register, document no. MSPO/SSCC/L-01/SKU, no. Issue 03, no. revision 3 and effective date on 01/06/2020.</p> <p>Example: 'Akta 342 - Akta Pencegahan Dan Pengawalan Penyakit Berjangkit 1988'</p> <p>Copy of MPOB license kept on file in each smallholders and in the database.</p> <p>Interview with smallholders are aware and understand legal requirement applicable to them.</p>	Yes
4.3.2.1	<p>SPOC J34 Jorak / Pengkalan Bukit smallholders land titles are freehold and lease title of 99 years issued by Muar Land Administration.</p> <p>There is no issue on land dispute and confirmed by reviewed complaint and grievances record.</p> <p>There are 58 lots smallholder land use are in the process of converting to oil palm. The application 'Permohonan Syarat Syarat Nyata Tanah' dated 09/06/2020 is reviewed.</p>	Yes
4.3.3.1	<p>SPOC J34 Jorak / Pengkalan Bukit smallholders land titles are freehold and lease title of 99 years issued by Muar Land Administration.</p> <p>There are no customary land.</p>	Yes
4.3.3.2	<p>The land title has a map indicating the location, size and with boundary markers.</p> <p>Field visit observed boundary markers are maintain.</p>	Yes

Principle 4: Social Responsibility, health, safety and employment conditions

Indicator	Summary of Assessment	Compliance
4.4.1.1	<p>SPOC J34 Jorak / Pengkalan Bukit adopted MPOB guidelines Complaint and Grievance, doc no: MSPO/SPOC/SOP-01/AR, no issue: 02, dated 01/06/2020,</p> <p>Briefing of SOP complaint and grievance conducted during field visit dated 13/03/2020 to the smallholders.</p> <p>Records book review there are no complaints up to the date of audit.</p> <p>Interview smallholders informed they are aware of complaint and grievance procedure.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.2	<p>SPOC J34 Jorak / Pengkalan Bukit adopted MPOB guidelines Complaint and Grievance, doc no: MSPO/SPOC/SOP-01/AR, no issue: 02, dated 01/06/2020,</p> <p>The procedure describes:</p> <ol style="list-style-type: none"> 1. The group manager is the responsible person to handle and manage any complaints. 2. The total days to resolve is 14. 3. Any complaint outside the scope of the GM it will refer to MPOB HQ to handle the matter. <p>A flowchart describe the steps and timeline to manage and respond any complaint received.</p> <p>Briefing of SOP complaint and grievance conducted on during field visit dated 13/03/2020 to the smallholders.</p> <p>During audit, there are no grievance recorded from smallholders or stakeholders involved.</p> <p>Interview smallholders inform they are aware on complaint process and timelines to resolve the complaints.</p>	Yes
4.4.2.1	<p>SPOC J34 Jorak / Pengkalan Bukit adopted MPOB's Workers Safety and Health Guideline doc no: MSPO/SPOC/GP-02/KKP, no issue: 03, dated 01/06/2020,</p> <p>The procedure describes:</p> <ol style="list-style-type: none"> 1. Responsibilities of the GM and smallholders / workers. 2. Safety work practices for harvesting, chemical spraying and fertilizer application. <p>MSPO training will be conducted on November 2020 base on training program.</p> <p>LKN conducted to smallholders dated 12/03/2020. The visit include awareness on Safety and Health procedure.</p> <p>Interview smallholders informed they are aware of safety and health procedure.</p>	Yes
4.4.3.1	<p>SPOC J34 Jorak / Pengkalan Bukit adopted Employment Terms, document no: MSPO/SSCC/SMP-01, rev-01, dated 01/06/2020.</p> <p>The document describe the requirements for hiring of workers for smallholders.</p> <p>Interviewed with smallholders are aware and communicate with casual workers regarding pay rate.</p> <p>Majority of smallholders operate on family based or subcontract to FFB dealer for harvesting, chemical spraying and fertilizing activities.</p>	Yes
4.4.3.2	<p>SPOC J34 Jorak / Pengkalan Bukit established MSPO Policy, document number: MSPO/SPOC/POLISI-01 (rev-02) latest reviewed on 01/06/2020.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>The policy states that SPOC against the practice of discrimination by exercising the right of equality in providing opportunities and services regardless of race and ethnicity, political views and nationality.</p> <p>SPOC J34 Jorak / Pengkalan Bukit conducted LKN that includes awareness on MSPO Policy.</p> <p>Interview smallholders informed no discrimination occurs and aware of the policy.</p>	
4.4.3.3	<p>SPOC J34 Jorak / Pengkalan Bukit adopted Employment Terms, document no: MSPO/SSCC/SMP-01, rev-01, dated 01/06/2020.</p> <p>Interviewed smallholders informed they sub-contract field operation activities to FFB dealers with agreed rate by both parties.</p>	Yes
4.4.3.4	There are no living quarters observed during site visit to smallholders field.	Yes
4.4.3.5	<p>SPOC J34 Jorak / Pengkalan Bukit established syarat mengupah pekerja di Kebun Sawit, document number MSPO/SPOC/SMP-01 (rev-01), dated 01/06/2020. The procedure describes:</p> <p>Stated in the requirement, hiring of children below 15 year old is not allowed.</p> <p>LKN include awareness on legal requirement on hiring workers was conducted to smallholders on 12/03/2020 and 15/03/2020.</p>	Yes
4.4.4.1	<p>SPOC J34 Jorak / Pengkalan Bukit establish annual training programme for 2020.</p> <p>Included in the training programme:</p> <ol style="list-style-type: none"> 1. MSPO awareness. 2. Field visit. 3. Palm Oil Management awareness. <p>LKN visit to smallholders conducted on 12/03/2020 and 15/03/2020.</p> <p>During site interviewed with smallholders they are aware the importance of PPE for chemical spraying and fertilizing activity.</p>	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>SPOC J34 Jorak / Pengkalan Bukit adopted MPOB SOP, Manual Prosedur kerja MSPO Kelompok Minyak Sawit Mampan (SPOC), Senarai Impak Sosial, Persekitaran & Pelan Tindakan document number: MSPO/SPOC/L-04/ISP, issue no: 3, revision no: 3, effective date 01/06/2020.</p> <p>Environment impact had been identified and included in the SOP.</p> <p>Example :</p> <p>Activity: Chemical spraying and manuring</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<p>Environmental impact: Chemical application on buffer zone area and near water source may cause water pollution.</p> <p>SPOC J34 Jorak / Pangkalan Bukit Group manager informed smallholder on the environmental impact during LKN visit on dated 12/03/2020.</p> <p>During field visit, there are no sign of blanket spraying practices, empty chemical containers are stored appropriately.</p>	
4.5.2.1	There are no application of renewal energy practise by smallholders.	Yes
4.5.3.1	<p>SPOC J34 Jorak / Pangkalan Bukit established SOP Senarai Sisa Racun Dan Domestik', document number: MSPO/SPOC/L-03/SRD, issue no: 3, revision no: 0, effective date 01/06/2020.</p> <p>The SOP described the 2 types of waste generated by smallholder which are waste generated from agricultural or non-agricultural activity.</p> <p>Example lists of wastes generated and source:</p> <p>Empty chemicals containers from chemical spraying activities.</p> <p>Used fertilizer bags from manuring activities.</p> <p>SPOC J34 Jorak / Pangkalan Bukit established 'Rekod Pengurusan Bahan Buangan to list and monitor amount of waste generated from smallholders block latest updated on 10/02/2020.</p> <p>During site visit and interviewed, smallholders are aware that empty chemical containers can be recycle and reused after triple rinsing.</p> <p>Interviewed with smallholders informed awareness on protection of environment.</p>	Yes
4.5.3.2	<p>SPOC J34 Jorak / pengkalan Bukit adopted SOP on Pengurusan Bahan Buangan Terjadual, document number: MSPO/SPOC/SOP-03/BT, issue no: 3, revision no: 3 and effective date: 01/06/2020.</p> <p>The SOP describes:</p> <p>To conduct triple rinsing for each empty chemical container before disposed.</p> <p>To put marking on empty chemical container for chemical mixing purposes.</p> <p>All wastes dispose shall follow the Peraturan Kualiti Alam Sekitar (Bahan Terjadual) 2005 Akta Kualiti Alam Sekitar.</p> <p>Group manager informed smallholder on generated waste and disposal method during the LKN visit on 04/03/2020.</p>	Yes
4.5.4.1	<p>SPOC J34 Jorak / Pengkalan Bukit adopted SOP Garis Panduan Zon Penampan Sungai, document number: MSPO/SPOC/GP-03/ZPS, dated 01/06/2020.</p> <p>The procedure describe:</p> <p>Guideline for buffer zone length.</p> <p>Non permitted activities are chemical spraying and manuring.</p>	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	Flow chart on buffer zone establishment. MSPO awareness training and LKN conducted includes GAP. Example: Proper frond stacking.	
4.5.4.2	SPOC J34 Jorak / Pengkalan Bukit smallholders practices rain water harvest by using collecting pit and culvert for spraying or washing purposes.	Yes
4.5.5.1	SPOC J34 Jorak / Pengkalan Bukit adopted SOP, Manual Prosedur kerja MSPO Kelompok Minyak Sawit Mampan (SPOC), Senarai Impak Sosial, Persekitaran & Pelan Tindakan. Doc no MSPO/SPOC/L-04/ISP, no. Issue: 3, no. revision: 3, effective dated 01/06/2020. The SOP describes: Environmental impact and action plan: Conservation of biodiversity, establishment of sustainable area in barren land / marginal land to be habitable flora and fauna. New land development within the jungle area, flora and fauna, wildlife conflict with villages such as monkey / wild boar. SPOC J34 Jorak / Pengkalan Bukit had established a list of wildlife animal at Muar district dated 19/03/2019. Interview with smallholders indicates that they understand the requirements for no hunting of any wildlife.	Yes
4.5.6.1	SPOC J34 Jorak / Pengkalan Bukit adopted SOP Garis Panduan Amalan Pembakaran Sifar, document number: MSPO/SPOC/GP-04/APS, issue no: 3, revision no: 3, effective date 01/06/2020. The guideline statement that smallholders are prohibited to practise open burning for replanting or new planting. SPOC J34 Jorak/ Pengkalan Bukit group manager informed smallholder on the zero burning practices during the LKN visit on 12/03/2020 and 15/03/2020. There is no open burning observed at sampled smallholder's farm.	Yes

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	SPOC J34 Jorak / Pengkalan Bukit conducted field visit by using form 'Laporan Lawatan Khidmat Nasihat' or using the 'Borang Permohonan Pensijilan Minyak Sawit Mampan Malaysia (MSPO)' on point 5F has the list to check on site best management of the field. Field inspection confirmed smallholders implemented good agricultural practice such as: 1. Proper stacking of fronds.	Yes

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	2. Good maintenance of harvesting path. 3. Proper palm pruning. Training on Good Agriculture Practices (GAP) conducted for smallholders during LKN Visit dated 12/03/2020.	
4.6.1.2	Visual identification for each of smallholders visited was available. The information stated on signage are: Smallholders name, lot number, area, GPS, and year planting.	Yes
4.6.2.1	SPOC J34 Jorak / Pengkalan Bukit adopted SOP, 'Garis Panduan Pelan Daya Ekonomi dan Kewangan', doc no: MSPO/SPOC/GP-01/PEK, issues no: 3, revision no: 3, effective date: 01/06/2020. SPOC J34 Jorak / Pengkalan Bukit Group Manager established management plan for year 2020 that includes financial budget for 2020 activities and field visit.	Yes
4.6.3.1	SPOC J34 Jorak / Pengkalan Bukit monitors FFB pricing on monthly basis through input from selected ramp / dealers for fair price. Interview with smallholders informed the FFB price obtain from the collecting center through phone call.	Yes

Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	SPOC J34 Jorak / Pengkalan Bukit smallholders' database is review with 1 st planting in 1989 and latest replanting in year 2019. There is no new planting. Therefore, no assessment on high biodiversity value area.	Yes
4.7.2.1	SPOC J34 Jorak / Pengkalan Bukit smallholders' database is review with 1 st planting in 1989 and latest replanting in year 2019. There is no new planting. Therefore, no assessment on type of soil.	Yes
4.7.3.1	SPOC J34 Jorak / Pengkalan Bukit smallholders' database is review with 1 st planting in 1989 and latest planting in year 2019. There is no new planting. Therefore, no assessment on type of terrain required	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.
--	---

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
 Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
 Client Number: 92-097
 Audit Type: ASA 01
 Mode of Audit: Remote and Onsite



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.
<p><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></p> <p><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></p>	

4.5. Detail of Audit Findings in last Audit

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

Non Conformity Number < 01 >			
Indicator # and Description	4.5.3.1 All waste products and sources of pollution shall be identified. (MAJOR)		
Location:	Office		
Description of Finding / Objective Evidence:			
SPOC J34 Jorak / Pengkalan Bukit has established SOP Disposal of Schedule Waste, document number MSPO/SSCC/SOP-03/BT dated 13/04/2018. The SOP does not include frequency on updating the schedule waste records.			
Classification	<input checked="" type="checkbox"/> Major	<input type="checkbox"/> Minor	
Mode of Audit	<input type="checkbox"/> Remote	<input checked="" type="checkbox"/> Onsite	
Raise by:	Mohamad Norhisham Bin Mohd Salleh	Date Raise:	30/04/2019
Deadline for implementation		29/06/2019	
Root Cause Analysis (by company):			
Tidak maklum bahawa rekod kemaskini bagi Bahan Buangan Terjadual perlu dinyatakan kekerapan pada Prosedur Pengurusan Bahan Buangan Terjadual.			
Correction (by company):			
Rekod kemaskini bagi Bahan Buangan Terjadual telah dipinda dengan kekerapan setahun sekali (seperti lampiran)			
Corrective / Preventive Action (by company)			
Pemantauan bagi kemaskini rekod Bahan Buangan Terjadual akan dilakukan melalui audit dalaman.			
Review of Correction & Corrective / Preventive Action			

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Non Conformity Number < 01 >	
SOP 'Pengurusan Bahan Buangan Terjadual', doc no MSPO/SSCC/SOP-03/BT has been review. Stated in the SOP flow chart of 'Pengurusan Bahan Buangan Terjadual' include the frequency on updated schedule waste records. The non-conformity was close.	
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Name of Auditor: Zul Hairi Bin Abu Hassan	Date of Closure: 29/05/2019
Review of Implementation	
Review on list of scheduled waste updated 05/03/2020 includes records of chemical list, scheduled wastes and domestic wastes. The records are monitor by SPOC GM on annual basis. Interviewed smallholders informed they are aware on recording of scheduled wastes generated from their farm as brief by SPOC GM during LKN visit. The implementation could be consider as appropriated.	
Name of Auditor: Ariff Bin Lokman	Date of Review: 03/09/2020

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 the 'Kod Amalan Baik (GAP) Pekebun Kecil'. (MINOR)
Location:	Field
Description of Finding / Objective Evidence:	
Observation on smallholders' areas found out 5 out of 14 visited smallholders practice blanket spraying.	
Classification	<input type="checkbox"/> Major <input checked="" type="checkbox"/> Minor
Mode of Audit	<input type="checkbox"/> Remote <input checked="" type="checkbox"/> Onsite
Raise by:	Mohamad Norhisham Bin Mohd Salleh
Date Raise:	30/04/2019
Deadline for implementation	Next surveillance audit
Root Cause Analysis (by company):	
Kurang pemahaman dari pihak pekebun kecil berkenaan amalan pengurusan rumpai.	
Correction (by company):	
Kursus Teknikal Sawit yang merangkumi taklimat berkaitan pengurusan rumpai dijangka akan diadakan pada bulan Oktober & November 2019 (rujuk kalendar aktiviti tahunan 2019 seperti yang dilampirkan)	
Corrective / Preventive Action (by company)	
Review on the schedule activities 2019, the program schedule 'kursus teknikal sawit 2019' stated in the program.	

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



Non Conformity Number < 02 >	
Review of Correction & Corrective / Preventive Action	
Review on the schedule activities 2019, the program schedule 'kursus teknikal sawit 2019' stated in the program.	
Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification : <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Name of Auditor: Zul Hairi Bin Abu Hassan	Date of Closure: 23/05/2019
Review of Implementation	
Site observation and interviewed with smallholder, sighted no blanket spray and smallholders are aware on weed management. The implementation could be consider as appropriated.	
Name of Auditor: Ariff Bin Lokman	Date of Review: 03/09/2020

4.6. Detail of Findings Identified During Remote Audit

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

REMOTE AUDIT OUTCOME		
During this remote audit,	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

Remote Audit

No.	Indicator	Description	Location	Opportunity for Improvement
1.	4.1.2.1	The action plan for continual improvement shall be based on the consideration for the main social and environmental impact and opportunities of the independent smallholder's group, such as SPOC. Independent smallholders shall be aware of the need to understand the importance of continuous improvement. (MAJOR)	Office	SPOC J34 could improve on the details on Continuous Improvement Plan.
2.	4.4.2.1	Independent smallholders need not have a formal health and safety plan but	Office	SPOC J34 Jorak / Pengkalan Bukit may consider improve Safety & Health Programme 2020.

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



No.	Indicator	Description	Location	Opportunity for Improvement
		shall ensure that all work practices are safe (MAJOR)		

The OFIs raised during remote audit are verified during onsite audit for appropriate implementation.

ON-SITE AUDIT OUTCOME		
During this onsite audit,	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

Onsite Audit

Nr.	Indicator	Description	Location	Opportunity for Improvement
1.	4.4.4.1	Independent smallholders are encouraged to seek knowledge to increase their competency in oil palm management. (MINOR)	Onsite	SPOC J34 Jorak / Pengkalan Bukit may consider improve smallholders awareness on the scheduled waste management.

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



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 J34 Jorak / Pengkalan Bukit consisting of 631 independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

OFls raised during remote audit are verified during onsite and implemented appropriately by SPOC management team.

During onsite audit, there is 1 OFIs raised and will be verify during 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 TÜV 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:	631	
Total certified acreage of smallholders:	1,757.02	Ha
Certified FFBs output January to December 2019:	13,108.59	Mt
Actual FFBs output January to June 2020:	14,772.94	Mt
Projected FFBs output June to December 2020:	19,965.79	Mt

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



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
x	Recommended for Continuity of Certification
	Suspended of Certification

Puchong, 30/09/2020

Zul Hairi Bin Abu Hassan
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 30/09/2020

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

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



7. LIST OF INTERVIEWEES

Table 7-1: List of Interviewed Stakeholders

No.	Organization / Function
Remote Audit	
1.	Balai Bomba dan Penyelamat Muar
2.	Pusat Timbang Pertubuhan Peladang
Onsite Audit	
1.	Kampung Parit Nawi
2.	Bintang Sawit Enterprise
3.	Klinik Desa Parit Bulat Lintang
4.	SK Parit Pechah
5.	Tiong Oil Palm Sdn Bhd

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J34 Jorak/Pengkalan Bukit
Client Number: 92-097
Audit Type: ASA 01
Mode of Audit: Remote and Onsite



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

- ☒ P&C Audit Report / Checklist(s)
- ☒ Audit Plan
- ☐ Additional annexes, number