

MSPO CERTIFICATION SUMMARY REPORT

PERMATA PLANTATION SDN BHD

STAGE 2 – CERTIFICATION AUDIT

Date: 10/09/2019

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MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Table of Contents

1.	INTRODUCTION	4	
1.1.	Objective	4	
1.2.	Scope	4	
1.3.	Appointment and qualification of team members	4	
2.	METHODOLOGY	8	
	Table 2-1: List of Estates Selected		9
3.	ORGANISATION INFORMATION	10	
3.1.	Production volume	10	
3.2.	Planting Program for Each Estate	10	
3.3.	Replanting program for each estate	10	
3.4.	Maps of Company Location and Plantations	11	
4.	CERTIFICATION ASSESSMENT	13	
4.1.	Stage 2 – Certification Audit	13	
4.2.	Stakeholders' Consultation	13	
4.3.	Summary of Assessment	15	
4.4.	Status of Non-Conformities Previously Identified	34	
4.5.	Detail of Audit Findings in last audit	34	
4.6.	Detail of Audit Findings Identified During This Audit	34	
5.	CONCLUSION	36	
6.	RECOMMENDATION	37	
7.	LIST OF INTERVIEWEES	38	
	Annex / Enclosures	38	

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 Agricultural Practice
GPS	Global Positioning System
ISCC	International Sustainability & Carbon Certification
ISO	International Standard Organisation
MSPO	Malaysia Sustainable Palm Oil
NC	Non Conformity
OSH	Occupational Safety and Health
PPSB	Permata Plantation Sdn Bhd
P&C	Principle and Criteria
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable Sustainable Palm Oil
RTE	Rare, Threatened and Endangered Species
SA8000	Social Accountability 8000
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
WHO	World Health Organization
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysia Palm Oil Certification Council
SDS	Safety Data Sheet

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



1. INTRODUCTION

Permata Plantation Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct stage 2 certification audit for its oil palm estate according to MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

1.1. Objective

The objective of this stage 2 certification audit is to assess the estate by an independent certification body with the aim for compliance of the standards.

1.2. Scope

The certification is based on the documentation developed by the estate.

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 based on MSPO 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

TUV NORD Malaysia has employed a risk-based approach in the audit, focusing on the identification of significant risks and reliability of the assessment and reporting.

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

1. Malaysian Sustainable Palm Oil Part 3: General Principles for Oil Palm Plantations and Organised Smallholders audit guidance;

1.3. Appointment and qualification of team members

The audit team appointed consists of one team leader and one team member. The audit team members contributed to the review of documents, the assessment of the project activity and to the 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; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	Graduate in Plantation Industry Management.
At least five (5) years of work experience in the oil palm sector or related field in consultancy /	9 years working experience in oil palm plantations.

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Requirement	Qualifications
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)	
Successfully completed MS 2530 series of standards training	Successfully completed MS2530 series training
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) 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 RSPO and MSPO schemes
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Successfully completed ISO 14001 LA course and auditor for RSPO and MSPO scheme.

Qualification of Team Members

Requirement	Assessor	Qualification	Compliance
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,);	Ariff Bin Lokman	5 years working experience in oil palm plantations.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Requirement	Assessor	Qualification	Compliance
iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields			
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	Ariff Bin Lokman	6 years working experience in oil palm plantations.	Yes
Successfully completed MS 2530 series of standards training	Ariff Bin Lokman	Successfully completed MS 2530 Auditor course.	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 equivalent sustainability certification schemes.	Ariff Bin Lokman	Qualified as auditor base on audit log.	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.	Ariff Bin Lokman	Able to communicate in Bahasa Malaysia and English.	Yes
Field working experience in the palm oil sector, or demonstrable equivalent	Ariff Bin Lokman	6 years working experience in oil palm plantations.	Yes
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Ariff Bin Lokman	6 years working experience in oil palm plantations.	Yes
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Ariff Bin Lokman	Successfully completed IMS 9001, 14001 and 45001 LA course.	Yes
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes	Ariff Bin Lokman	Successfully completed SA 8000 Basic training	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Requirement	Assessor	Qualification	Compliance
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Ariff Bin Lokman	Successfully completed IMS 9001, 14001 and 45001 LA course.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



2. METHODOLOGY

The audit approach consists of the following steps:

- Contract review;
- Appointment of team members and technical reviewer;
- 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)
- Final approval and issuance of certificate.

The certification is conducted in two stages in accordance to the certification procedure.

Stage 1 Audit:

Stage 1 is conducted on 26/03/2019 that covers desk review activities:

- Background investigation
- Review of documentation established but not limited to below
 - Group Operating Policies
 - Estate maps
 - Land titles
 - Standard Operating Procedures including Agricultural Manual
 - Work Flow Charts
 - Operating licenses and approvals
 - Operating records
 - Training records
 - Applicable Legislation Documents
- Interviews of relevant operation personnel
- Assessment reporting

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Stage 2 Certification Audit:

Stage 2 certification audit is conducted on 27/06/2019 to 28/06/2019 covers the following activities but not limited to below:

- Onsite visit, observations and inspections of estate facilities and field activities;
- Interview operation personnel and field workers for understanding for the work assigned;
- Reviewed revised and updated documentation established and implemented;
- Operating records;
- Training records;
- Reports established;
- Work plans established;
- Stakeholders consultation meeting;
- Review and closed out of non-conformance raised during stage 1 audit;
- Assessment reporting;

On-site Assessment

The audit of the estates is conducted according to the MS 2530-3:2013 Part 3 for Oil Palm Plantations and Organised Smallholders.

The methodology for collection of objective evidence include physical site inspections, observation of tasks and processes, interviews of stakeholders, communities, staff, workers and their families, review of documentation and data. Checklists and questionnaires are used to guide the collection of information. The comments made by external stakeholders are taken into account in the assessment.

Permata Plantation Sdn Bhd has 1 estate therefore, no sampling required.

The estate is listed in Table 2-1 below:

Table 2-1: List of Estates Selected

Name of Estate	Coordinates
Permata estate	E118°11'13 N 4°34'31"

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 Improvement (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 raised an 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 in the next audit.

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



3. ORGANISATION INFORMATION

Permata Plantation Sdn Bhd is a oil palm plantation company located at Ulu Karumpang, Tawau, Sabah.

The details of the estate as below:

Name of Estate	Location	Coordinates
Permata Estate	Ulu Karumpang, Tawau	E118°11'13 N 4°34'31"

3.1. Production volume

Name of Estate	Area (Ha)		Projected FFB Production (mt) (Jan 2019 to Dec 2019)
	Total*	Planted**	
Permata estate	228.26	214.04	2,460.00
Total FFB			2,460.00

*includes productive and non-productive area (infrastructures, conservation, HCV, housing & office compound use, set aside area etc.)

**Immature + Mature Area

3.2. Planting Program for Each Estate (1st Planting in 1993)

Year / estate	Permata
1997	89.19
2013	87.67
Total Mature	176.86
2018	37.18
Total Immature	37.18
Total Oil Palm	214.04

3.3. Replanting program for each estate

Year of replanting	Planted area (ha) in each estate	Total area to be replanted (ha)
	Permata	
2019	-	-
2020	-	-
2021	-	-
2022	119.76	19.76

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Year of replanting	Planted area (ha) in each estate	Total area to be replanted (ha)
	Permata	
2023	33.16	33.16
TOTAL	52.92	52.92

3.4. Maps of Company Location and Plantations



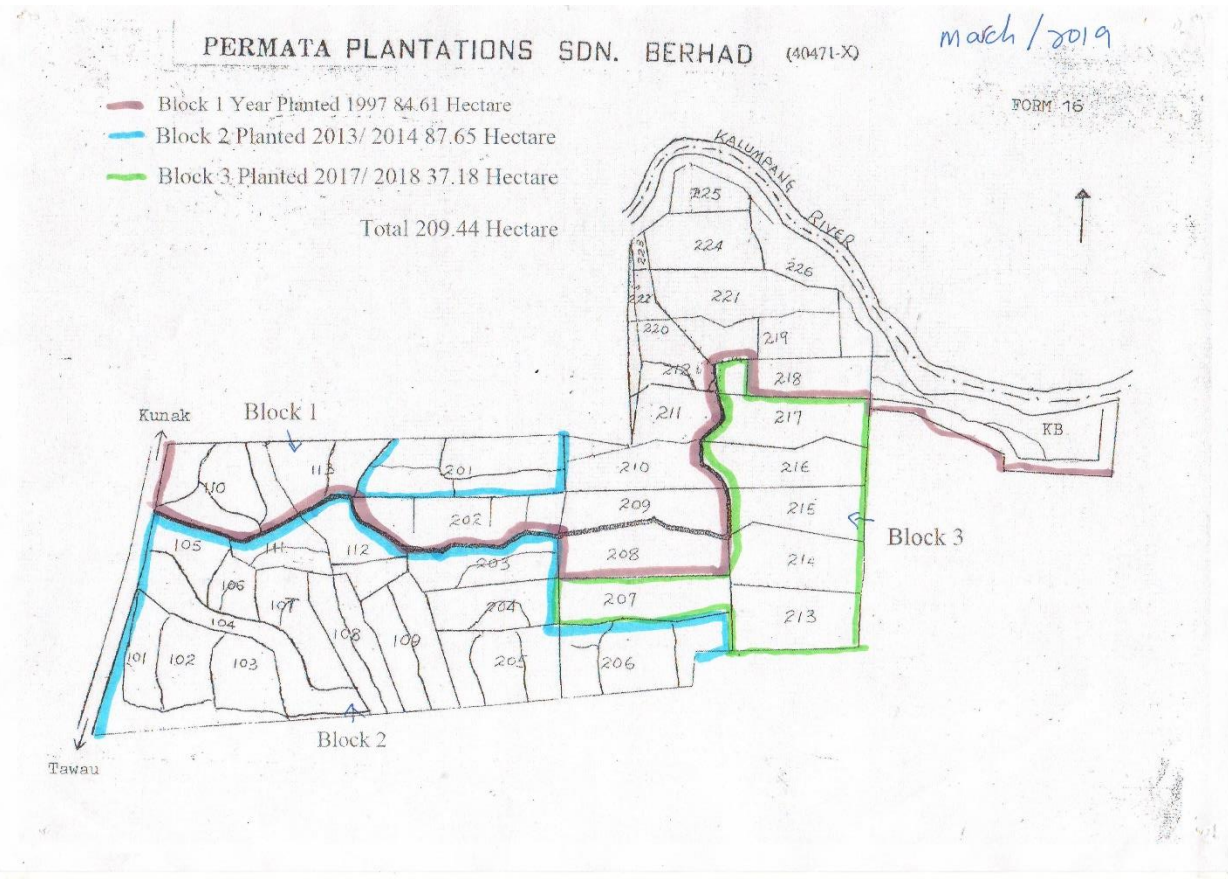
MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd
Certifying Unit: Permata Plantation Sdn Bhd
Client Number: 92-092
Audit Type: Stage 2 - Certification Audit



4. CERTIFICATION ASSESSMENT

4.1. Stage 2 – Certification Audit

The objective of the audit is to assess the activities of the estate is in compliance with MS 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

4.1.1. Stage 1 Audit:

The objective of the stage 1 is to assess the readiness of the documentation established and implemented in accordance to MSPO 2530-3:2013 Part 3 General principles for Oil Palm Plantations and Organised Smallholders.

According to the Certification Scheme, an initial due-diligence audit for operators which are entering into the MSPO system, and which

- do not have any certification or
- those having management system certification e.g. ISO, COP.

These organization shall undergo both Stage I and II audit.

Permata Plantation Sdn Bhd does not has any certification, therefore, has to undergo Stage I audit.

The audit team has apply the Malaysian Sustainable Palm Oil Part 3: General principles for oil palm plantations and organised smallholders audit guidance to assess the established documents against the Principles and Criteria of the standard

The Stage I audit is conducted on 26/03/2019 covering the following activities:

- Onsite interviews and inspections;
- Review of documentation for compliance to relevant P & C requirements for plantation;
- Reporting of findings found during Stage I audit;

4.1.2. Stage 2 Certification:

The Stage 2 certification audit is conducted on 27/06/2019 to 28/06/2019.

During the Stage 2 certification audit, there is, 1 Minor and 2 Opportunities for Improvement (OFI) are raised. Action plan is submitted for minor non-conformance with implementation will be review during the next audit.

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

The audit findings if any, raised in this audit refer to Section 4.5 of this report.

4.2. Stakeholders' Consultation

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 15/05/2019 as to accommodate stakeholder's consultation meeting for Permata Plantation Sdn Bhd to provide comments. As at audit date on 27/06/2019 there are no comments received.

Invitation letters are sent on 15/05/2019 to invite relevant stakeholders to attend a local stakeholders' consultation on 27/06/2019 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



The topics of discussion are as below:

1. Introduction of MSPO certification.
2. Development of oil palm plantations
3. Community service and support provided
4. Wildlife management and wildlife corridor
5. Type of wildlife sighted at the plantations and wildlife corridor.
6. Local communities' development.

The following relevant Principles & Criteria of the applied standard are discussed during the stakeholders' consultation:

1. Principle 2 Criteria 2 Indicator 1: Consultation and Communication with stakeholders:
The stakeholders could confirm they have attended meetings with the company on MSPO certification.
2. Principle 4 Criteria 2 Indicator 3 & 4: A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint
The stakeholders' advice they are informed a logbook and form is available at the office to lodge any complaints or suggestions.
3. Principle 4 Criteria 3 Indicator 1: Contribute to local development in consultation with the local communities.
The local communities could confirm the company has provide assistance and support to communities.
4. Principle 6 Criteria 4 Indicator 1: Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information
The contractors who provides maintenance and service could confirm they are briefing on MSPO requirements.

There no issues raised during the stakeholder's consultation in terms of tenure and/or use rights, social or environmental aspects of management and operations that need to be addressed by the certified unit. 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

Items	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Any information from Company as regards to the MSPO audit?	Stakeholders confirmed they are aware of the MSPO audit through invitation letters and public announcement made by the company.	Positive comments towards the Permata Plantation Sdn Bhd management.
2	Social issues	No communities and neighbouring estates attended. Therefore no input.	No further action required.

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Items	Subject discussed	Audit team findings	Company response and proposed action to be taken
3	Type of land title – Country Leased, Provisional Leased, Native title	Participants are no local communities, therefore no input to confirm.	No further action required.
4	Economy / livelihood Is there any impact on livelihood after the introduction of MSPO?	Participants commented with MSPO certification will improve livelihood of workers.	Positive comments towards the Permata Plantation Sdn Bhd management.
5	Does MSPO largely benefits the local community?	Stakeholders are not local communities, therefore no comments on this topic.	No further action required.
6	Environmental understanding	Stakeholders are not local communities, therefore no comments on this topic	No further action required.
7	Awareness towards species, habitats, and high conservation values	Stakeholders are not local communities, therefore no comments on this topic	No further action required.
8	Are there any plantation management practices that affect you?	Stakeholders are not local communities, therefore no comments on this topic.	No further action required.
9	Do you consider any management is in conflict with the MSPO principles and criteria?	Stakeholders commented there should be no conflict by the management. topic.	Positive comments towards the Permata Plantation Sdn Bhd management.
10	Do you have any suggestions for management?	Permata Plantation Sdn Bhd can share the knowledge regarding MSPO and visit the field and estate implementation.	Positive comments towards the Permata Plantation Sdn Bhd management.

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 with all criterions will be assessed. Evidences are sought for conformity with the MSPO 2530-3. The summary of the assessment 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	Permata Plantation Sdn Bhd (PPSB) established Sustainable Agriculture Policy dated 10/12/2018 signed by Managing Director.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<p>The policy statement includes commitment to continual improvement in sustainability practise.</p> <p>Policy is display at office notice board.</p> <p>Training for policies conducted on 14/12/2018 to all workers.</p> <p>Interview during site visit workers and stakeholders understand the MSPO policies.</p>	
4.1.1.2	The Sustainable agriculture policy dated 10/12/2018 states commitment to continual improvement with the objective of improvement in sustainability practices.	Yes
4.1.2.1	<p>PPSB established SOP internal audit dated 03/04/2019.</p> <p>SOP includes a flow chart process for internal audit.</p> <p>Stated in the SOP the frequency for internal audit is once a year.</p> <p>The latest internal audit conducted on 20/12/2018.</p> <p>Result of internal audit state that non conformity was close timely.</p>	Yes
4.1.2.2	<p>PPSB established SOP internal audit dated 03/04/2019.</p> <p>The corrective action was in the CIP to follow up.</p> <p>Sighted summary of internal audit states the strong and weak points.</p> <p>Example:</p> <p>Strong point: good infrastructure Chemical and fertilizer store, housing quarters.</p> <p>Weak point: water source, rainwater.</p> <p>Improvement: to find ground water. (stated in CIP)</p>	Yes
4.1.2.3	Management review conducted on 03/06/2019 include internal audit results, stage 1 audit and CIP.	Yes
4.1.3.1	<p>Management review conducted on 03/06/2019 after internal audit conducted on 20/12/2018.</p> <p>Results of internal audit is discussed in the meeting.</p> <p>Frequency of management review once a year.</p>	Yes
4.1.4.1	<p>Continual Improvement Plan (CIP) established dated 20/01/2018 and revised on 08/04/2019.</p> <p>Topics discuss in the CIP include environmental, social &, safety.</p> <p>Example:</p> <p>Housing amenities & health environmental.</p> <p>The table of CIP include:</p> <ul style="list-style-type: none"> Improvement action 	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none">Expected outcomeTime frameReview and monitoringLocatingResponsibilityStatus.	
4.1.4.2	<p>PPSB established SOP new information, technique, equipment dated 01/06/2019.</p> <p>The SOP describe process for implementation new technology:</p> <ul style="list-style-type: none">IdentificationImplementation and control. <p>New technology implemented in Permata using grabber tractor for loading FFB to ramp.</p> <p>The SOP is publicly available at office notice board and workers briefed on the usage of the tractor.</p>	Yes
4.1.4.3	<p>Training conducted to workers who operates the tractor grabber on 10/06/2019.</p> <p>Annual training program established for workers sighted.</p>	Yes

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>List of stakeholders established dated 15/05/2019. The list include:</p> <ul style="list-style-type: none">GovernmentNGOsNeighbours plantation <p>Stakeholders meeting conducted 1on 7/06/2019 at Permata Plantation office.</p> <p>The meeting agenda include:</p> <ul style="list-style-type: none">Introduction MSPO implementationBriefing on SOPs, company policies, safety and health	Yes
4.2.1.2	<p>PPSB established master list for publicly available documents and confidential documents dated 24/06/2019.</p> <p>Example publicly available documents:</p> <ul style="list-style-type: none">Company policies	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> SOPs <p>Confidential document, example:</p> <ul style="list-style-type: none"> Annual budget. <p>Sighted publicly available documents at the office notice boards.</p> <p>The publicly available document written in English and Bahasa Malaysia.</p>	
4.2.2.1	<p>PPSB established SOP consultation and communication dated 01/05/2019.</p> <p>The SOP has a flow chart describing the process.</p> <ul style="list-style-type: none"> Communication to employees and other stakeholders Enquiry / issue from employees and other stakeholders. <p>Workers are briefed during management and workers meeting on 05/05/2019.</p> <p>External stakeholders meeting on 17/06/2019.</p>	Yes
4.2.2.2	<p>Organization chart states the estate manager is the appointed person to handle consultation and communication.</p> <p>Stakeholders are informed during the meeting the estate manager is appointed person to handle consultation and communication.</p>	Yes
4.2.2.3	<p>Stakeholders meeting conducted 17/06/2019.</p> <p>Permata has established flow chart of consultation and communication date 01/05/2019. Consultation and Communication indicate that any request from stakeholders to be resolve within 14 days.</p>	Yes
4.2.3.1	<p>PPSB established SOP for traceability dated March 2019.</p> <p>The SOP describe the process for sales of FFB.</p> <ul style="list-style-type: none"> Harvesting records Delivery to mill Daily and transporter records. 	Yes
4.2.3.2	<p>The traceability system is inspected weekly by the estate manager.</p> <p>Sighted records of summary book, delivery note, weighbridge ticket from mill for the FFB traceability.</p> <p>Internal audit conducted on 20/12/2018 that include traceability system. There are no findings for traceability.</p>	Yes
4.2.3.3	<p>Organization chart states the office admin staff is the responsible person to maintain the records and checked by the estate manager.</p>	Yes
4.2.3.4	<p>The records of FFBs sold and delivered are recorded</p> <ul style="list-style-type: none"> Summary of harvesting book Delivery notes Weighbridge tickets. 	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	Review on the records such as delivery notes to mill weighbridge are available. Unique identification number is the delivery note is stated in mill weighbridge ticket.	

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	PPSB established list of legal and regulation dated 03/06/2019. Example of legal documents: <ul style="list-style-type: none">Akta Lembaga Minyak Sawit 1998Akta Syarikat 1965 example of license <ul style="list-style-type: none">MPOB licenseDiesel permit below 200 L.	Yes
4.3.1.2	PPSB has established list of legal documents and regulations dated 03/06/2019.	Yes
4.3.1.3	List of legal documents established on 03/06/2019 and latest updated on 24/06/2019. Example: 'Gaji Minimum Pindaan 2018'.	Yes
4.3.1.4	Organization chart states the estate manager is person in charge for updating and change to legal documents.	Yes
4.3.2.1	PPSB land title is country leased issue by Sabah Land Authority. The activity stated in the land title is for agriculture crop of economic value.	Yes
4.3.2.2	PPSB land issued by Sabah land authority. Land use right for agriculture of economic value. Land title tenure is 99 years.	Yes
4.3.2.3	Land title includes map stating the total area with boundary stone numbering. During site verification, boundary marker is marked with a boundary stone and wooden stick at Permata estate.	Yes
4.3.2.4	No dispute from previous owners since the land titles are country or provisional leased issued by Sabah Land Authority.	Yes
4.3.3.1	PPSB land title is country leased and not customary land.	Yes
4.3.3.2	PPSB land title is country leased and not customary land.	Yes
4.3.3.3	PPSB land title is country leased and not customary land.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	<p>PPSB established social impacts assessment dated 09/05/2019.</p> <p>The SIA includes information from survey and meeting feedback from internal and external stakeholders. The positive and negative impacts stated in the SIA</p> <p>Example:</p> <p>positive impacts:</p> <p>Good opportunity job for employees.</p> <p>Action plan: Continue.</p> <p>Negative impacts:</p> <p>Wages increments are low.</p> <p>Action plan: Review annually by estate manager.</p>	Yes
4.4.2.1	<p>PPSB established SOP complaints & grievances flowchart dated 01/05/2019. The SOP stated on the process of resolving complaint.</p> <p>Complaint form and flow chart are displayed at office notice board.</p> <p>Period to solve the complaint is 10 days if the issue is not solved within 30 days, it will be referred to arbitration panel example labour department, police station.</p> <p>Person in charge to handle complaint is the estate manager.</p>	Yes
4.4.2.2	<p>Period to solve the complaint is 10 days if the issue is not solved within 30 days, it will be referred to arbitration panel example labour department.</p> <p>Complaint lodged on 02/05/2019 sighted. The complaint is resolved on 08/05/2019 within the time line and accepted by complainant.</p>	Yes
4.4.2.3	<p>PPSB established form for suggestion and complaint and made available in the office.</p> <p>The complaint box is placed at the office.</p> <p>Interview with workers confirmed that they are aware of the complaint procedure.</p>	Yes
4.4.2.4	<p>PPSB conduct meeting on 14/12/2018 to inform employees on the complaint and suggestion procedure.</p> <p>Complaint and grievance form and complaint box sighted outside the office.</p> <p>During interview the workers aware of complaint procedure.</p>	Yes
4.4.2.5	<p>PPSB maintain complaint records as from 16/02/2019.</p> <p>All complaints are documented on file and complaint book.</p>	Yes
4.4.3.1	<p>PPSB contributed to local development by providing job opportunities to local communities</p> <p>Review June 2019 labour statement locals are hired for estate operation.</p>	Yes
4.4.4.1	<p>Safety and Health policy established dated 01/03/2019 signed by Managing Director.</p>	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>The policy is available at the office notice board.</p> <p>Workers are briefed on the policy on 16/02/2019</p> <p>Safety plan established on 01/05/2019.</p> <p>Records of training on safety and PPE usage conducted on 16/02/2019.</p>	
4.4.4.2	<p>a.</p> <p>b. Risk assessment is established dated 04/06/2019.</p> <p>Risk assessment included all activities in field operation example:</p> <ul style="list-style-type: none"> • Harvesting • FFB Loading • Chemical Spraying • Premix chemical • Office and store <p>Hazard identification, risk assessment and risk control (HIRARC) table include all activities:</p> <ul style="list-style-type: none"> • Activities • Hazards • Risk and effects • Existing control • Risk control proposal • Person in charge • Date review <p>c. i, Records of training on safety and PPE usage conducted on 16/01/2019</p> <p>SOP safety and health on 04/05/2019</p> <p>Emergency and fire training on 10/05/2019.</p> <p>Sprayer chemical training on 07/05/2019.</p> <p>ii. SDS made available at the store in English and Bahasa Malaysia.</p> <p>Example: Ally</p> <p>Store in good condition and locked.</p> <p>Liquid stored below powder.</p> <p>d. Records of PPEs issuance are maintained.</p> <p>Example: helmet, sickle cover, chisel cover, apron</p> <p>During site visit all workers are provided with proper PPEs for the assigned task according to HIRARC</p> <p>CHRA under process and waiting confirmation from assessor.</p>	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>e. PPSB established SOP 'Penyimpanan Dan Pengurusan Bahan Kimia' dated 05/05/2019.</p> <p>SDS for handling of chemicals and storage sighted. CHRA is in progress and waiting schedule from assessor to conduct assessment.</p> <p>f. The estate manager is appointed as the safety and health person in charge. Organization chart is reviewed.</p> <p>g. OSH meeting last conducted on 14/12/2018. Meeting agenda include safety and health during operation work.</p> <p>h. PPSB established emergency respond plan dated 01/05/2019 include the flow chart and available at office notice board.</p> <p>i. The estate in-charge and workers are train in first aid on 02/03/2019 conducted by Hospital Lahad Datu.</p> <p>First aid kit available at operation areas.</p> <p>j. PPSB established records for accidents and injuries. No report for any major injuries.</p> <p>Sighted JKKP registration dated 14/05/2019 for year 2019.</p>	
4.4.5.1	<p>PPSB established Sustainability Agricultural Policy dated 15/05/2019 signed by Managing Director.</p> <p>The policy includes a statement on respect and support the universal declaration of Human Rights.</p> <p>Policy is displayed at notice board and available in English and Bahasa Malaysia.</p> <p>Onsite interview with worker indicates they are aware on the company policies and confirmed the respect in human rights.</p>	Yes
4.4.5.2	<p>PPSB established sustainability agriculture policy dated 15/05/2019 signed by Managing Director. Stated in the policy under topic 2.2 "respect and recognize the right of all workers"</p> <p>(vi) Equal employment opportunities</p> <p>Sustainability agriculture policy has includes statement of equal employment opportunities in the work place. Hiring, remuneration, access to training, promotion or retirement will be implemented based on business needs, job requirement and individual qualification regardless of race, religion or gender.</p> <p>Policy is displayed at notice board and available in English and Bahasa Malaysia.</p> <p>Estate manager has confirmed the workforce consists of Indonesian, Malaysian and Filipinos.</p> <p>During the site interview of workers confirmed that there is no discrimination practice in the work place and workers are treated fairly.</p>	Yes
4.4.5.3	<p>PPSB established employment agreement for workers. The agreement is in accordance with Sabah Labour Ordinance and Minimum Wage Order 2018.</p>	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	Workers payslips are reviewed, Pay is in line with Minimum Wage regulations 2018.	
4.4.5.4	PPSB keep records to monitor contractor pays to their workers. PPSB hired contractor for FFB transportation. Contractor workers' wages payment voucher was reviewed and wage paid is according to minimum wage regulation 2018.	Yes
4.4.5.5	PPSB established list of workers that contain worker name, gender, date of birth, date of entry, wage, period of employment and job tasks assigned.	Yes
4.4.5.6	PPSB established employment agreement for employees available in both Bahasa Malaysia and English. Employment contract reviewed are fair and signed by both employee and employer. During field visit, interview with workers confirmed they have a copy of contract and understand the content in the contract agreement.	Yes
4.4.5.7	PPSB established 'checkroll' as time recording system for working hours and overtime. The working hours is displayed at muster ground. Working overtime when required will be paid according to Sabah Labour Ordinance requirements of 1.5 times for normal days and 2 times for working on rest days. Review on payment voucher of March 2019 for estate mandore with overtime payment paid based on labour requirement. On site interview with worker indicates they are aware of the working hours, rest hours and OT is 1.5 time for normal day, rest day is 2.0 times.	Yes
4.4.5.8	Working hours are available on notice board and displayed at muster ground in front the office. Working hours: 7:00 am until 4.00 pm. (rest on 11:00am – 1.00pm). Reviewed on the pay slip and check roll of worker for working hours and overtime complied with legal regulations.	Yes
4.4.5.9	PPSB established payment vouches for wages paid to worker. Workers are either paid based on daily wage or piece rate basis for type of work. Overtime is paid according to Sabah Labour Ordinance. List of wages for 2019 sighted and payment as per Minimum Wage Order 2018.	Yes
4.4.5.10	PPSB provide housing, water, electricity, medical cost, annual leave, sick leave, insurance, SOCSO and public holidays. Type of benefits listed in contract agreement.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.5.11	Workers are provided with appropriate housing with free electricity and sufficient water for consumption PPSB housing follow industry best practices. Site observation the living quarters has basic amenities and sufficient space for family and those unmarried.	Yes
4.4.5.12	PPSB Sustainability Agriculture Policy dated 15/05/2019 signed by Managing Director includes a statement on Harassment and Violence. Management will not tolerate any type of harassment or violence. The policy states to ensure the procedure is in place to prevent sexual harassment. Complaint and grievance records reviewed and confirmed no complaints made on sexual harassment or violence. Interview with female workers confirmed no sexual harassment case happen and they are aware on sexual harassment or violence reporting system.	Yes
4.4.5.13	PPSB Sustainability Agriculture Policy dated 10/12/2018 signed by Managing Director includes a statement on Freedom of Association and Collective Bargaining. "Management and its supplier/contractors shall recognize and respect the right of employees to join trade union of their choice subject to the provisions of relevant national legislation. PPSB has established JCC committee as a platform of communication between workers and management. Example topic discusses: Request for road maintenance at field area during JCC meeting conducted on 14/12/2018.	Yes
4.4.5.14	PPSB Sustainability Agriculture Policy includes a statement on no child labour under 18 years old. PPSB informed the workers during morning muster on 13/03/2019. The workers master list and personal file is review and no workers below the age of 18 year. During field visits, no workers below 18 years found.	Yes
4.4.6.1	PPSB s established training programs for employees dated 25/02/2019. Example training conducted: <ol style="list-style-type: none"> 1. Firefighting dated 10/05/2019 2. r Grabber operator dated 10/06/2019 3. 7 principles of MSPO dated 10/12/2018 4. SOP safety and health dated 10/05/2019 	Yes
4.4.6.2	PPSB conduct training to the workers based on their job description such as harvesting, spraying and manuring.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	Tractor driver is provided driving training on specific skill and test on the competency.	
4.4.6.3	<p>PPSB established annual training programs for year 2019 dated 25/02/2019.</p> <p>Example of training programme:</p> <ul style="list-style-type: none"> • First aid • Manuring • Harvesting 	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>PPSB established environmental policy dated 15/05/2019 signed by Managing Director.</p> <p>The policy is made available at the notice board of main office.</p> <p>PPSB establish Environmental impact, mitigation and continuous improvement plan dated 05/06/2019. The plan includes identification / activities, environment positive and negative impacts, action plan, monitoring and status.</p>	Yes
4.5.1.2	<p>PPSB established environmental policy dated 15/05/2019 signed by Managing Director that states :</p> <p>The management is committed to minimize the environmental impact of its operations and understands the importance of conserving natural resources".</p> <p>In protecting the environment and enhancing biodiversity as follow:</p> <ul style="list-style-type: none"> • Operate within the framework of statutory and regulatory requirement or relevant laws, MSPO certification principle and criteria. • Implement zero burning on oil palm cultivation activities. • Act in accordance with current plantations industry approaches. <p>Environmental aspect, impact, mitigation and continuous improvement plan include identification and management plan of waste products and potential source of GHG Emissions.</p> <p>Example:</p> <p>Aspect and impact:</p> <ol style="list-style-type: none"> 1. Pruned Oil Palm fronds <p>Aspect: Harvesting operation.</p> <p>Negative impact: heap of pruned fronds breeding ground for rats and required more chemical to control.</p> <p>Positive impact: pruned oil palm fronds can retains the soil moisture.</p>	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.3	<p>PPSB established Environmental impact, mitigation, and continuous improvement plans. Stated in the environmental impact included negative and positive impact of waste.</p> <p>Example:</p> <p>Empty pesticide container</p> <p>Negative impact: Incorrect disposal of contaminated containers.</p> <p>Positive impact: wash containers for 3 times and put marking on it, recycle usage of container.</p> <p>Monitoring: Empty pesticide container bin card for monthly inventory reviewed.</p> <p>Domestic waste and sewage</p> <p>Negative impact: septic tank overflow that can affect the water source.</p> <p>Positive impact: Recycling of plastic, paper, metal and glass can generate side income to workers.</p> <p>Domestic waste collected twice a week, segregation for recycle and organic waste at the landfill site.</p>	Yes
4.5.1.4	<p>PPSB established CIP that include environmental dated 08/04/2019.</p> <p>Example:</p> <ol style="list-style-type: none"> 1. Provide oil traps for genset room 2. Landfill site. 	Yes
4.5.1.5	<p>PPSB established annual training program for year 2019 prepared on 25/02/2019. The program includes environmental training conducted on 19/06/2019.</p> <p>During field visit interviewed workers are aware of environment issues.</p> <p>Example: No manuring and spraying activities allowed at riparian area.</p>	Yes
4.5.1.6	<p>PPSB conducted JCC meeting between management and employees dated 14/12/2018 includes environmental.</p> <p>Example</p> <ol style="list-style-type: none"> 1. Additional sign board at riparian area 2. Zero burning practice 3. Prohibiting on hunting <p>Interview with estate manager JCC meeting will be held once a year.</p>	Yes
4.5.2.1	<p>PPSB establish baseline for diesel consumption from 2016 to 2018. The baseline is a benchmark to compare against the actual usage of fuel per metric ton FFB produced for 2019.</p> <p>Sighted fuel consumption records for year 2019. Actual diesel consumption compared against budget is higher due to low FFB production.</p> <p>PPSP established plan to reduce usage of diesel such as maintenance program for tractors and machineries.</p>	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.2.2	PPSB established budget for fuel consumption for year 2019. Records of fuel consumption for month of January 2019 for FFB transportation, machinery, electrical and tractor fuel consumption. PPSB has records of diesel consumption compare with budgeted diesel usage for year 2019.	Yes
4.5.2.3	PPSB do not use renewable energy.	Yes
4.5.3.1	PPSB established waste management plan dated 05/06/2019. Waste Management Plan identify 3 types of wastes: <ol style="list-style-type: none"> 1. Gaseous waste: Emission from fossil fuel usage. 2. Solid waste: Empty chemical container, 3. Liquid waste: Chemical mixing, 	Yes
4.5.3.2	PPSB established Environmental Aspect and Impact Assessment and Environmental Management Plan date of review 05/06/2019. Example of source identified and monitoring: Gaseous waste Emission from fossil fuel usage: Minimize usage, regular maintenance. Liquid waste Regular checking and monitoring of any leakage and defective parts of equipment. Make sure spillage kit in place and in good condition. PPSB established Environmental Aspect and Impact Assessment and Environmental Management Plan date of review 05/06/2019. PPSB has identify and monitoring source of waste and pollution for the estate operations. Example of source of waste and monitoring: <ol style="list-style-type: none"> 1. Rotten bunches – monitoring and maintain low harvesting interval. 2. Fertilizer – Correct timing of FFB application 3. Empty pesticide containers- recycle by third party collector. 4. Domestic waste -proper managing and monitoring of landfill. 5. Plastic bottles, cans and others domestic waste- segregation of waste, establishment of recycle bin at main office and housing compound areas. 	Yes
4.5.3.3	PPSB established SOP work safety for empty pesticides containers handling dated 05/05/2019. SDS for safe handling and storage of chemicals available at store and office. <ul style="list-style-type: none"> • Provide work areas with good and adequate ventilation. • Respirator should be used in work areas. • Use eye wear 	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> Rubber and PVC had gloves should be used. Wear face shield, protective clothing Plastic apron and impermeable boots. 	
4.5.3.4	<p>PPSB established SOP work safety for Empty pesticides containers handling dated 05/05/2019.</p> <p>The SOP describe:</p> <ol style="list-style-type: none"> No reuse of empty pesticides container for other purposes except as waste bins. Triple rinsing for all empty containers before stored at scheduled wastes store or puncture for reuse as rubbish bins 	Yes
4.5.3.5	<p>Domestic wastes are segregated for recycling and those cannot be recycle will be disposed at landfill.</p> <p>Landfill site is properly fenced with warning signage on safety at the landfill area. Landfill location away from housing and waterways.</p>	Yes
4.5.4.1	<p>PPSB h established waste management plan.</p> <p>Waste Management Plan identify 3 types of waste:</p> <ol style="list-style-type: none"> Gaseous waste – Emission from fossil fuel. Solid waste – Empty chemical container. Liquid waste – Use lubricant oil. 	Yes
4.5.4.2	<p>a. Action plan established dated 05/06/2019.</p> <p>Example: Greenhouse Gas (GHG) emissions</p> <p>Negative Impact: GHG emissions can adverse effect on the environment.</p> <p>Positive impact: Steps to reduce net GHG emissions have positive impacts on emission saving</p> <p>Action plan:</p> <ul style="list-style-type: none"> To improve fuel efficiency of transport vehicles. To reduce running hours of generator sets. To investigate improved ways of reducing fertilizer. <p>b. PPCB does not have waterways within estate. Therefore, no monitoring required for outgoing water.</p> <p>c. The rainfall data is capture in the plan for monitoring of operation and domestic usage.</p> <p>PPSB has rainfall records from 2016 to 2018.</p> <p>d. PPCB has conducted several initiative to preserve water;</p> <ol style="list-style-type: none"> Silt pit dug to retain water at field. Pruned fronds are stalked in slope area to prevent soil erosion. 	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	Review on morning briefing logbook briefing to workers on environment issues on 03/06/2019.	
	PPSB do not has waterways in estate. Therefore not applicable.	
	PPSB do not use bore wells for water supply.	
4.5.5.2	During field inspection no waterways sighted.. Therefore not applicable.	Yes
4.5.5.3	Rain harvesting is practice for housing and office use. Pruned fronds are stalked in hilly area horizontally to prevent further soil erosion.	Yes
4.5.6.1	PPSB established management plan for rare threatened or endangered species conservation area. Stated in the management plan list of wildlife such as birds and animals. The assessment conducted include the surrounding estate areas. Workers interview are able to explain on the understanding for any illegal or inappropriate hunting.	Yes
4.5.6.2	a. PPSB established management plan to monitor and capture presence of wildlife within the estate level.. b. Appropriate signage install as information to workers to discourage any illegal or inappropriate hunting, fishing or collecting activities. Workers interview informed no hunting, fishing and capturing. Workers are brief regularly during morning muster on wildlife within the estate.	Yes
4.5.6.3	The monitoring plan is established to monitor the respective area on weekly basic.	Yes
4.5.7.1	PPSB established Sustainability Agriculture Policy dated 15/05/2019. The policy includes a statement on zero burning. A zero burning is practices in relation to new planting, replanting or other developments. Training on Zero Burning practices conducted on 10/12/2018. During on site verification at field operation, landfill sites and labour quarters no open burning activities found.	Yes
4.5.7.2	During field visit, there are no diseases sighted. Therefore no burning approval obtained.	Yes
4.5.7.3	There are no disease observed that required treatment by burning. There is no replanting observed during the site visit	Yes
4.5.7.4	PPSB adopted 'Field Handbook: Oil Palm Series for Immature Volume 2 & Mature as a guideline for replanting practices. Last replanting activity carried out in 2018. During site verification visit, observed previous palms on felled, chipped and shredded.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>PPSB established SOPs dated 05/05/2019 that covers all operations.</p> <p>Examples:</p> <ol style="list-style-type: none">1. SOP work safety for estate operations2. SOP harvesting3. SOP diesel store <p>The training on for best practices on harvesting, manuring and chemical spraying on 07/05/2019.</p> <p>Interview workers could demonstrate understanding on SOP and safety precautions.</p>	Yes
4.6.1.2	<p>PPSB adopt the field handbook for immature oil palm volume 2 series number: ISBN 981-04-1433-1 as SOP guideline for:</p> <p>Terrace and platform construction.</p> <ul style="list-style-type: none">• Facilitate effective establishment, maintenance and harvesting of palms.• Minimize soil erosion.• Reduce rainwater runoff and nutrient losses.• Increase water infiltration.• Conserve moisture and increase water infiltration.• Provide each palm with equal access to light, nutrients and water. <p>Procedure:</p> <p>To prevent erosion, cover crop should be established on slopes as soon as possible after land clearing.</p> <p>On slope <6°, contour bunds of varying configurations can be constructed to control surface water flow and improve water infiltration. Platform may be required in places.</p> <p>Type of soil problem:</p> <p>Soil on steep terrain (Land above 25° or 50% steep)</p> <p>The handbook describes soil management on step terrains and establishment of cover crops.</p>	Yes
4.6.1.3	<p>Block marking sighted at field with block number, type of materials and year of planting.</p>	Yes
4.6.2.1	<p>PPSB established long term and financial projection for 3 years from 2019 to 2021.</p> <p>The content of financial plan include:</p> <ol style="list-style-type: none">1. Financial projection.2. Long term management plan3. Capital expenditure budget and projection plan.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	4. Replanting programs	
4.6.2.2	Replanting program for year 2022 to 2023 is establish.	Yes
4.6.2.3	<p>The business management plan for 2019 until 2021 is established.</p> <p>The plan include:</p> <ul style="list-style-type: none"> • Planting material • Crop budget • Cost/mt • Price forecast 	Yes
4.6.2.4	PPSB established summary of monthly expenditure for year 2019. The report capture FFB production, yield, and operation expenses to compare against the projections.	Yes
4.6.3.1	<p>PPSB engage contractor for transporting FFB dated 03/01/2019</p> <p>PPSB issued letter of acceptance duly signed by both parties on 10/04/2019.</p> <p>The agreement describes the service period, rates and payment term.</p> <p>Terms of work includes statement on requirement to comply with MSPO certification.</p>	Yes
4.6.3.2	<p>The work contract for transport and services are based on negotiation and acceptance and sign by both management and contractor consider as fair, legal and transparent.</p> <p>Payments are made in accordance to the term and conditions stated in the contract and on a monthly basis.</p>	Yes
4.6.4.1	<p>PPSB engaged contractor for the operation activities.</p> <p>Example: Transport for FFB delivery, road maintenance, upkeep labour quarters.</p> <p>Terms of conditions include statement on requirement to comply with MSPO certification.</p> <p>PPSB conducted work safety briefing for FFB contractor and contractor workers on 10/05/2019.</p>	Yes
4.6.4.2	<p>PPSB has establish contract agreement.</p> <p>Example contract for transport:</p> <p>The contract agreement dated 03/01/2019 duly signed by both parties as acceptance.</p>	Yes
4.6.4.3	<p>PPSB issue letter of acceptance dated 27/05/2019, doc no: PP/Buid/03-19. Duly agreed and signed by both parties Term of work includes statement on requirement to comply with MSPO requirement.</p> <p>Non conformity: Minor</p> <p>Permata Plantation has established contract agreement. However, the contract did not indicate accept the approved MSPO auditor to inspect them if required.</p>	No

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.4.4	PPSB monitors contractor work for FFBs transportation and make payment after completion of the task. Contractor Invoice is verify by estate management team prior payment is made.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	Planting statement, estates map and land title is reviewed. There is, no new planting. Therefore not applicable	Yes
4.7.1.2	Planting statement, estate map and land title is reviewed. The replanted area is verified and does not exceed 100ha. Therefore, no PMM require to conduct.	Yes
4.7.2.1	Planting statement, estate map and land title is reviewed. There are no peat land in the estate.	Yes
4.7.3.1	Planting statement, estates map and land title is reviewed. There is no planting. Therefore, no SEIA established.	Yes
4.7.3.2	Planting statement, estate map and land title is reviewed. There is no new planting. Therefore, no SEIA established.	Yes
4.7.3.3	Planting statement, estates map and land title is reviewed. There is no new planting, therefore, no SEIA established.	Yes
4.7.3.4	There are no smallholders in the certification. Therefore, not applicable.	Yes
4.7.4.1	Planting statement, estate maps and land titles are reviewed. There is no new planting. Therefore, no soil map established.	Yes
4.7.4.2	Planting statement, estate map and land title is reviewed. There is no new planting. Therefore, no topography map established.	Yes
4.7.5.1	Planting statement, estate map and land title is reviewed. There is no new planting. Therefore, not applicable.	Yes
4.7.5.2	Planting statement, estate map and land title is reviewed. There is no new planting. Therefore not applicable.	Yes
4.7.5.3	Planting statement, estate map and land title is reviewed. There are no new planting, therefore not applicable.	Yes
4.7.6.1	Planting statement, estate map and land title is reviewed. There is no new planting, therefore no FPIC conducted.	Yes
4.7.6.2	Planting statement, estate map and land title is reviewed. There is no new planting, therefore no management plan establish to maintain scared sites.	Yes
4.7.6.3	Planting statement, estate map and land title is reviewed. There is no new planting, therefore, no documents established.	Yes
4.7.6.4	Planting statement, estate map and land title is reviewed. There is no new planting, therefore, no documents established.	Yes
4.7.6.5	Planting statement, estate map and land title is reviewed. There is no new planting, therefore, no documents established.	Yes
4.7.6.6	Planting statement, estate map and land title is reviewed. There is no new planting, therefore, no documents established.	Yes
4.7.6.7	Planting statement, estate map and land title is reviewed. There is no new planting, therefore, no documents established.	Yes
4.7.6.8	Planting statement, estate maps and land titles are reviewed. There is no new planting, therefore, no documents established.	Yes

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



4.4. Status of Non-Conformities Previously Identified

X	The stage 1 audit findings of the system are reviewed, in particular to assure appropriate corrections implemented to address the identified audit findings.
	The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have implemented to address any nonconformity identified.
	The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have not been implemented effectively. The 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

Stage 1 audit findings corrective actions are reviewed during the stage 2 certification audit process.

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
	1	MINOR Non-Conformities

Non Conformity Number 01						
Indicator and Description	4.6.4.3 The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.					
Location:	Permata Plantation					
Description of Finding / Objective Evidence:						
Permata Plantation has established contract agreement with contractor. However, the contract did not indicate accept the approved MSPO auditor to inspect them if required.						
Classification	<input type="checkbox"/> Major		<input checked="" type="checkbox"/> Minor			
Raise by:	Ariff Bin Lokman		Date Raise: 28/06/2019			
Deadline for implementation		Will review action plan and implementation during next surveillance audit.				
Root Cause Analysis (by company):						
Missed out accidentally.						
Correction (by company):						

MSPO Certification Summary Report

Company Name: Permata Plantation Sdn Bhd

Certifying Unit: Permata Plantation Sdn Bhd

Client Number: 92-092

Audit Type: Stage 2 - Certification Audit



Non Conformity Number 01	
Refer attachment: memo of contract dated 1/7/2019.	
Corrective / Preventive Action (by company)	
Take note of this non-conformity. Will adhere accordingly.	
Review of Correction & Corrective / Preventive Action	
Review on the contract agreement no ref: PP/Kontrak/01/19. New contract awarded to the contractor dated 01/07/2019 include statement to accept the approved MSPO auditor. Action plan is accepted and non-conformity closed. Will review the implementation in 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: Zul Hairi Bin Abu Hassan	Date of Closure: 02/07/2019
Review of Implementation	
Name of Lead Auditor / Auditor:	Date of Review:

No.	Indicator	Location	Opportunity for Improvement
1.	4.4.6.1	Permata	The management could improve on the training and evaluation records for operation and enviroment.
2.	4.5.6.3	Permata	The management could improve on wildlife sighting records.

5. CONCLUSION

Permata Plantation Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct stage 2- certification audit for it; estate according to MSPO 2530-3:2013 Part 3 General principles for Plantations and Organised Smallholders.

There are no Major NC raised. Minor non-conformances action plan submitted and accepted. The implementation of Minor NC(s) will be review and verify during the next audit.

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

In conclusion the certified unit has been established, implemented and continued to improve in managing the estates are in line with the Principles & Criteria of the applied standards of MS 2530-Part 3:2013.

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

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

Total certified number of estates:	1	Estate
Total certified production area:	228.26	Ha
Certified FFBs January to May 2019:	1,090	Mt
Projection FFBs June to December 2019	1,370.00	Mt
Projection FFBs January to December 2020	3,000.00	Mt

6. RECOMMENDATION

The audit team conduct 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.


The structure of the audit is in accordance with the audit plan included in 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 products and/or services 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

X	Recommended for Certification
	Recommended for Continuity of Certification
	Recommended for Suspension of Certification

Puchong, 10/09/2019



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

Puchong, 10/09/2019



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

7. LIST OF INTERVIEWEES

Table 7-1: List of Interviewed Persons and Stakeholders

No.	Name	Organisation / Function
1.	Sim Vui Khong	EMPA/ Durawang Sdn Bhd
2.	Kevin Lim	Tai Yuan Plantation Sdn Bhd

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 / Checklists
- ☐ Audit Plan
- ☐ Additional annexes, number