

MSPO CERTIFICATION SUMMARY REPORT

MPOB – SPOC B2 KELANANG

ANNUAL SURVELLANCE 21

Onsite Audit Date: 31/07/2023 – 03/08/2023

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MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board (MPOB)
Certifying Unit: SPOC B2 Kelanang
Client Number: 92- 066
Audit Type: ASA 21
Mode of Audit: Onsite



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ABBREVIATIONS

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

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1. INTRODUCTION

MPOB has commissioned TÜV NORD (Malaysia) Sdn Bhd to conduct surveillance audit for SPOC B2 Kelanang 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 B2 Kelanang 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 B2 Kelanang 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.

1.3. Appointment & Qualification of Audit Team Members

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

Qualification of the Lead Auditor: Ariff Bin Lokman

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

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Requirement	Qualifications
v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	7 years working experience in oil palm plantations.
Successfully completed MPOCC endorsed lead auditor training	Successfully completed MS2530 series of standards for Lead Auditors
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 and appointed as lead auditor for MSPO scheme.
Field working experience in the palm oil sector, or demonstrable equivalent	7 years working experience in oil palm plantations.
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	7 years working experience in oil palm plantations.
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.
Health and safety auditing on the farm and in processing facilities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Successfully completed Basic SA 8000 training.
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.
Completed High Conversation Value assessment	Attended and completed the HCV-HCS for producer online course.

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Requirement	Qualifications
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Able to communicate in Bahasa Malaysia and English.

Qualification of Team Member(s)

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 Padil Mat Saman	PMS graduates in Diploma Plantation Industrial Management from Universiti Technology of Mara (UiTM) on 2001.	Yes
	Zulkifli Kamarol Zaman	Graduate in Bachelor Sciences Agriculture Business	
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 Padil Mat Saman	PMS has 10 years working experience in various plantations company and skills in Good Agricultural Practise (GAP) including Integrated Pest Management (IPM) and Structured Safety and Health Plantation Programme. Fully trained in similar agriculture certification programs such as EUROGAP, RSPO, ISCC, MSPO, OHSAS AND etc. Qualified as lead auditor/auditor for MSPO and CoP under MPOB. Involved in MSPO assessment since 2015. Involved in MSPO audits conducted in for many different companies in	Yes

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Requirement	Assessor	Qualification	Compliance
		Malaysia. Completed and certified MSPO Auditor course in 2015.	
	Zulkifli Kamarol Zaman	10 years working experience in oil palm plantations.	
Successfully completed MPOCC endorsed lead auditor training	Mohamad Padil Mat Saman	PMS has attended and passed Malaysian Sustainable Oil Palm Plantation (MSPO) Lead Auditor course on 26-30 January 2015 conducted by DQS Certification (M) Sdn Bhd.	Yes
	Zulkifli Kamarol Zaman	Successfully completed MS2530 series of standards for Lead Auditors	
Conducted a minimum six (6) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes.	Mohamad Padil Mat Saman	PMS has involved in more than 4 on-site audits for different clients for a total more than 20 man-days of audit experiences as auditor, since 2015.	Yes
	Zulkifli Kamarol Zaman	Qualified and appointed as lead auditor for MSPO scheme.	
Field working experience in the palm oil sector or demonstrable equivalent Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	Mohamad Padil Mat Saman	PMS has 10 years working experience in various plantations companies such as Tradewinds Plantations & Services Sdn Bhd (2 Years) and Sime Darby Plantation Sdn Bhd (8 years).	Yes
	Zulkifli Kamarol Zaman	10 years working experience in oil palm plantations.	
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Mohamad Padil Mat Saman	PMS has successfully completed the Lead Auditor/Auditor Course for Integrated Management system (IMS) - ISO 9001:2015	Yes

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Requirement	Assessor	Qualification	Compliance
		and 14001:2015 Environment Management Systems (EMS) in 20-24 June 2018 (Serial No.: ASCB/001/18/7741).	
	Zulkifli Kamarol Zaman	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.	
Health and safety auditing on the farms processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Mohamad Padil Mat Saman	PMS has successfully completed the Lead Auditor/Auditor Course for Integrated Management system (IMS) - ISO 9001:2015 and 14001:2015 Environment Management Systems (EMS) in 20-24 June 2018 (Serial No.: ASCB/001/18/7741).	Yes
	Zulkifli Kamarol Zaman	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.	
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Mohamad Padil Mat Saman	Nil	Yes
	Zulkifli Kamarol Zaman	Successfully completed SMETA (Issue 6.0) Internal Training.	
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Mohamad Padil Mat Saman	PMS has successfully completed the Lead Auditor/Auditor Course for Integrated Management system (IMS) - ISO 9001:2015 and 14001:2015 Environment Management Systems (EMS) in 20-24 June 2018 (Serial No.: ASCB/001/18/7741).	Yes
	Zulkifli Kamarol Zaman	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course.	

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Requirement	Assessor	Qualification	Compliance
Completed High Conversation Value assessment	Mohamad Padil Mat Saman	Nil	Yes
	Zulkifli Kamarol Zaman	Attended and completed the HCV-HCS for producers' online course.	
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Mohamad Padil Mat Saman	The auditor is able to communicate in Bahasa Melayu and English.	Yes
	Zulkifli Kamarol Zaman	The auditor is able to communicate in Bahasa Melayu and English.	Yes

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2. METHODOLOGY

The audit approach consists of the following steps:

- Appointment of team members;
- Contact client for relevant documentation according to the applicable MSPO standards;
- Latest smallholders list;
- Audit planning;
- Background investigation, desk review of submitted documents;
- Assessment, inspections, interviews SPOC personnel, review of documentation;
- Review of SPOC management system;
- Reporting;
- Draft audit reporting;
- Technical review;
- Final audit reporting;
- Final approval, certification decision and issuance of certificate.

Surveillance Twenty One (21) Audit:

The surveillance twenty one (21) audit conducted on site from 31/07/2023 to 03/08/2023 covering the following activities but not limited to below:

Onsite:

- Onsite visit, observations and inspections of farms management and activities;
- Interview smallholders;
- Reviewed revised and updated documentation established and implemented;
- FFB production records;
- Training records;
- Land titles and land application approvals;
- Assessment reporting.

Onsite Assessment

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

The methodology for collection of objective evidence by means of physical site inspections, observation of tasks and processes, interviews of smallholders, SPOC officers, review of documentation and data.

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For this onsite audit, the number of selected independent smallholders are based on example table of ACB – OPMC Issue 2 dated 04/09/2020

The group of smallholders consists of 5 new members and 842 old members. The total number of smallholders for this audit are 847.

As per MPOB requirements the risk factor of 1.5 shall be applied. Therefore, the sample size $S = 1.5\sqrt{847} = 43.65$ round up to the next integral 44.

As per OPMC 2 issue 2, from the sample size, the number of the new members are $44 \times 75\% = 33$ and number of existing members are $44 \times 25\% = 11$.

The list of smallholders selected for the onsite assessment and inspection listed in Table 2-1 below:

Table 2-1: List of Sample Smallholders

Name	GPS Coordinates
Existing members	
Chua Boon Swee	N 2.661806, E 101.595500
Muhamad Sabrun Bin Samingan	N 2.696611, E 101.516278
Samingan Bin Hamzah	N 2.676222, E 101.576972
Sulimah Binti Ngadinoor	N 2.679000, E 101.581111
Bahrudin Bin Mision	N 2.682806, E 101.566472
Tan You Hock	N 2.700111, E 101.541000
Wong Ah Chok @ Wong Chook Lian	N 2.676556, E 101.576444
Karuppanna A/L Periasamy	N 2.649556, E 101.588444
Lee Chee Chiang	N 2.658806, E 101.575056
Chong Seng Fee	N 2.663889, E 101.589444
Lee Siew Chien	N 2.680000, E 101.556389
Saudah Binti Miskon	N 2.671139, E 101.589278
Muhamad Firdaus Bin Muhamad Saian	N 2.673917, E 101.588556
Lim Beng Huat	N 2.651639, E 101.594417

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Name	GPS Coordinates
Existing members	
Chua Chu Lang	N 2.659083, E 101.592167
Chia Chow Hing	N 2.656556, E 101.576139
Siti Azliyana Binti Ali	N 2.672639, E 101.595139
Lim Bing Heng	N 2.650667, E 101.593972
Goo Wei Luen	N 2.670139, E 101.554722
Mohd Azizuddin Bin Sibadar	N 2.669250, E 101.558222
Nasron Bin Basiron	N 2.680806, E 101.565750
Ramly Bin Mukri	N 2.674500, E 101.566750
Lee Kwee Chin	N 2.690833, E 101.497444
Lim Keng Bon	N 2.692583, E 101.503444
Lee Kooi Chai	N 2.696389, E 101.501389
Chong Yong Chai	N 2.695472, E 101.497556
See Guan Kam	N 2.695028, E 101.491278
Khor Phaik Cheng	N 2.752889, E 101.460083
Lee Boon Chai	N 2.766944, E 101.435944
Geetha Yogarajah	N 2.766278, E 101.437806
Lim Gay Sing	N 2.768222, E 101.435333
Lim Siew Ha	N 2.768528, E 101.434861
Aniton A/P Gandon	N 2.663111, E 101.551500
Jamiah Binti Sukri	N 2.678722, E 101.564528
Raisah Binti Ahmad	N 2.680194, E 101.562111

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Name	GPS Coordinates
Existing members	
Norkhamri Bin Torman	N 2.683917, E 101.563667
Heng Hua Sue	N 2.695222, E 101.550556
Lee Hock Lai	N 2.655333, E 101.581889
Zaleha Binti Paimun	N 2.679556, E 101.561917

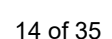
Name	GPS Coordinates
New members	
Hasan Bin Zainal	N 2.790722, E 101.428028
Johan Bin Lamin	N 2.794333, E 101.429000
Sabri Bin Asin	N 2.762444, E 101.438083
Esah Anak Tungkah	N 2.794083, E 101.431639
Noramin Bin Mohammad Paat	N 2.774250, E 101.517028

Non-conformance:

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

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

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Figure 2: Smallholders location for SPOC B2 Kelanang

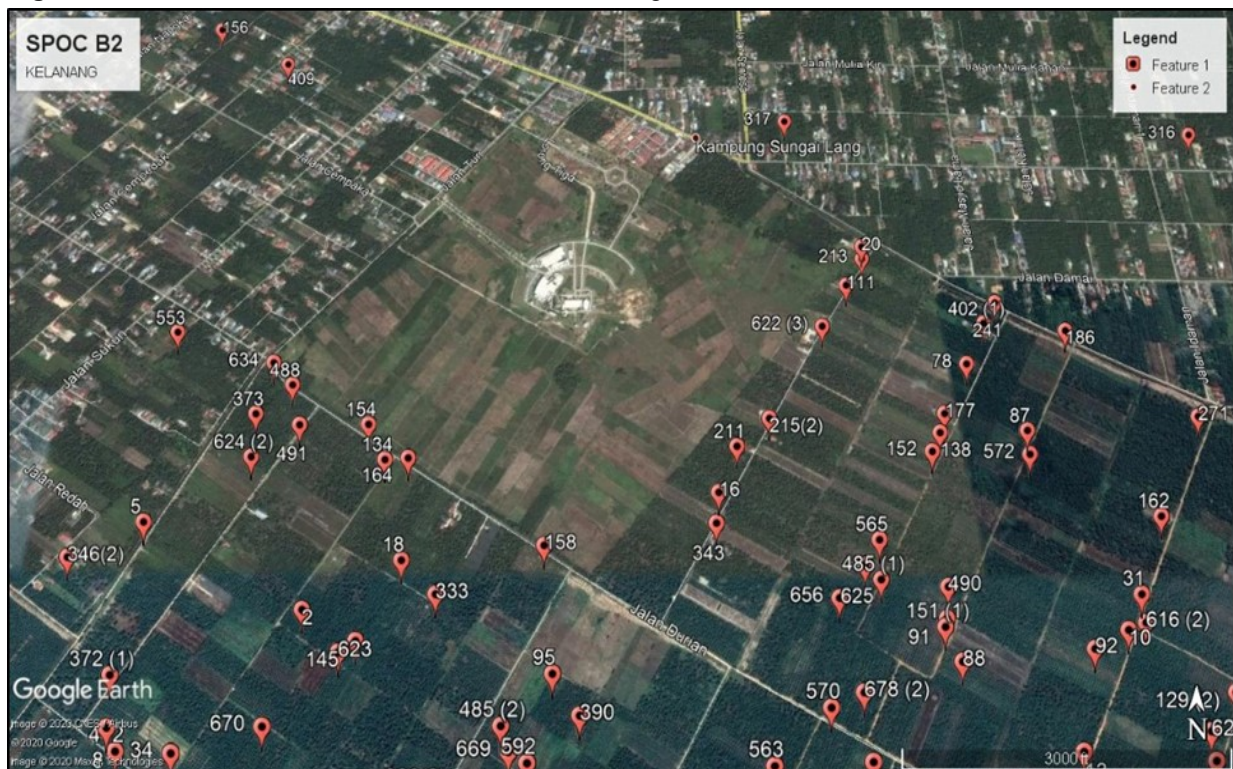


Figure 3: Smallholders location for SPOC B2 Kelanang

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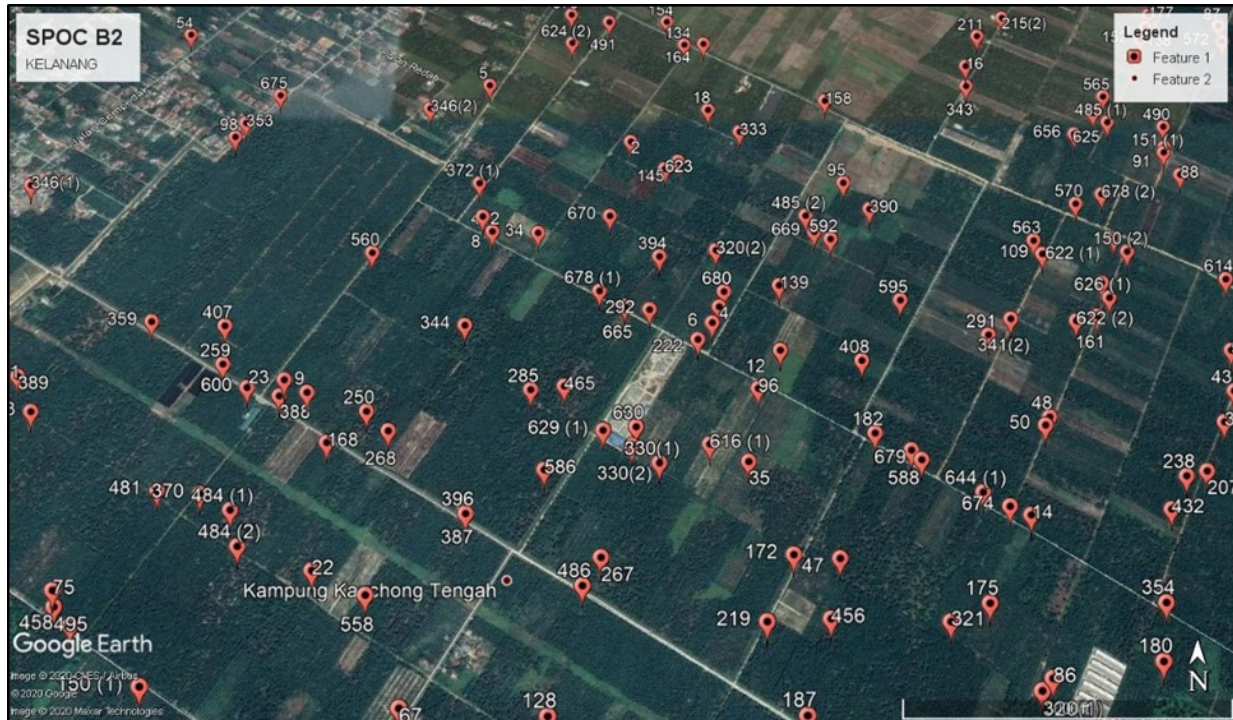


Figure 4: Smallholders location for SPOC B2 Kelanang



Figure 5: Smallholders location for SPOC B2 Kelanang

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4. CERTIFICATION ASSESSMENT

4.1. ASA Twenty One (21)

The objective of the audit is to assess the activities of MPOB Cawangan SPOC B2 Kelanang are in compliance with MS 2530-2: 2013 Part 2: General principles for independent smallholders' requirements.

4.1.1. Surveillance Twenty One (21):

The surveillance Twenty One (21) audit is conducted from 31/07/2023 to 03/08/2023.

The number of smallholders in this surveillance audit are 847.

The number of smallholders 842 remain the same for this surveillance audit.

The number of smallholders joined during this surveillance audit are 5.

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 but not limited to below:

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. Health and safety;
6. Group Manager management system;
7. Best practice – farm management including fertilising, chemical spraying and harvesting.

During the recertification audit, there are 0 Major, 0 Minor and 1 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.

4.2. Stakeholders' Consultation

According to ACB – OPMC 4 Issue 2 dated 04/09/2020, Stakeholder Consultation Requirements Section 6: Consultation during audit, §6.1: During the stage 2 and recertification audit of the management unit, the CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. However, stakeholders' consultation during surveillance audit may be limited to those stakeholders who have raised concerns, complaints or disputes prior to the audit.

Therefore, there is no physical stakeholders consultation conducted for this surveillance audit.

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TUV NORD (Malaysia) Sdn. Bhd., has published the audit notification on 12/07/2023 to announce the audit of the certified unit. As at audit date on 31/07/2023 there are no comments received.

4.3. Summary of Assessment

Principle and Criteria Assessment Summary

The assessment team conducted 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 applied MSPO 2530-2. The summary of the assessment is as below, where the "Findings/Comments" column reflects the findings in accordance with each indicator or evidences and when non conformity is found. Summary of the non-conformity can be found below in section 4.6.

Principle 1: Management Commitment & responsibility						
Indicator	Summary of Assessment	Compliance				
4.1.1.1	<p>The group manager has established a MSPO Policy (MSPO/SSCC/POLISI-01 (Rev-03)) which indicates their commitments towards transparency, compliance to legal, environmental conservation, occupational safety, and continual improvement.</p> <p>The policy has been signed by Group Manager of SPOC B2 Kelanang on 05 May 2023. Observed the policy were displayed in the office notice board at MPOB Kelanang Branch office.</p> <p>The policy has also been communicated to group members during their registration for participation. All group members have signed a form outlining their agreement and commitment for their association as part of the SPOC programme. The agreement and commitment is found to be incorporated within the <i>Borang Permohonan Pensijilan Minyak Sawit Mampan Malaysia (MSPO) (Borang MSPO Pin. 3)</i>.</p> <p>Smallholders have been briefed on MSPO certification awareness training during briefing session conducted on 21/02/2023 to the existing and new group members. In addition, series of <i>Lawatan Khidmat Nasihat (LKN)</i> to the smallholders on 17/04/2023 to 20/06/2023 were conducted by the Group Manager with objective to ensure and briefed the best practices implementation of palm oil management and MSPO certification. Interview with sampled smallholder confirms that they have been briefed the MSPO Policy.</p>	Yes				
4.1.2.1	<p>The group manager has identified social and environmental impacts as evident in <i>Senarai Impak Sosial, Persekitaran & Pelan Tindakan</i> (MSPO/SSCC/L-04/ISP) dated 01/06/2021.</p> <p>The identified social impacts and its action plan in the above documents, among others are:</p> <table><tr><th>Identified Impact</th><th>Action Plan</th></tr><tr><td>Land preparation: 1. Employment opportunity 2. Improve networking with local and external parties</td><td>1. Maintained</td></tr></table>	Identified Impact	Action Plan	Land preparation: 1. Employment opportunity 2. Improve networking with local and external parties	1. Maintained	Yes
Identified Impact	Action Plan					
Land preparation: 1. Employment opportunity 2. Improve networking with local and external parties	1. Maintained					

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Principle 1: Management Commitment & responsibility									
Indicator	Summary of Assessment		Compliance						
	<p>Manuring, Spraying & Harvesting:</p> <p>1.Exposure an opportunity for systematic approach</p> <p>2.Stealing of fertilizer and chemical</p> <p>3.Stealing of FFB</p>	<p>1. Maintained</p> <p>2. Storage of Fertilizer</p> <p>3. Report to police</p>							
	<p>Example of environment impacts identified are:</p> <table><tr><th>Identified Impact</th><th>Action Plan</th></tr><tr><td>Manuring and integrated planting: 1.Improve soil structure</td><td>1. Maintained</td></tr><tr><td>Development on biodiversity area: 1. Established buffer area at infertile land area to conserve flora and fauna species</td><td>1. Maintained</td></tr></table>		Identified Impact	Action Plan	Manuring and integrated planting: 1.Improve soil structure	1. Maintained	Development on biodiversity area: 1. Established buffer area at infertile land area to conserve flora and fauna species	1. Maintained	
Identified Impact	Action Plan								
Manuring and integrated planting: 1.Improve soil structure	1. Maintained								
Development on biodiversity area: 1. Established buffer area at infertile land area to conserve flora and fauna species	1. Maintained								
	<p>Interviews with sampled smallholders conducted during field visit, indicates the following:</p> <ul style="list-style-type: none">○ Gate drop pole installed at the entrance to prevent stealing of FFB and no case reported yet;○ Good relationships with government authority such as MPOB and local communities i.e., Head of Village;○ Work opportunity to the local communities. <p>The group manager has established <i>Plan Program Bulanan SPOC B2 2023</i> as part of continual improvement. List of programmes has been included in the calendar (example) as follow:</p> <ul style="list-style-type: none">• <i>Taklimat MSPO dan Kaunter Bergerak</i>;• <i>Program Latihan Pensijilan GAP/Promosi KPSM</i>.								
4.1.2.2	<p>Introduction to new technologies normally is done in tandem with routine briefing including distribution of brochure (e.g., <i>Warta Sawit</i>). In addition, the group manager also has taken initiative to create WhatsApp group to disseminating any information on new technologies and techniques throughout the group members.</p> <p>Malaysian Palm Oil Board (MPOB) at headquarters level is consistently performing research or innovation for continuous improvement and new technologies. All new technologies are promoted directly by the group manager during site visit.</p> <p>It was found that dissemination of information to smallholders are through following:</p> <p>a. '<i>Lawatan Khidmat Nasihat (LKN)</i>' conducted once a year. Record of LKN from 17/04/2023 to 20/06/2023 is made available during the audit;</p> <p>b. Yearly training conducted by group manager. For example, briefing conducted on 21/02/2023.</p>		Yes						

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Principle 1: Management Commitment & responsibility

Indicator	Summary of Assessment	Compliance
	Field interviews with sampled smallholders informed they obtain new information on oil palm management during LKN visit, accessing MPOB Facebook Page and <i>Warta Sawit</i> .	

Principle 2: Transparency

Indicator	Summary of Assessment	Compliance
4.2.1.1	<p>SPOC B2 Kelanang adopted MPOB 'Manual Prosedur Kerja MSPO Kelompok Minyak Sawit Mampan' document number MSPO/SPOC/GP-01/PEK revision number 05, dated 01/04/2023 which include 'Carta Alir Kebolehejekan Perbelanjaan dan Pendapatan Pekebun Kecil' as a traceability procedure.</p> <p>The traceability procedure describe smallholders provided with Buku Rekod Ladang (BRL) to record FFB sales.</p> <p>Field interviews with sampled SPOC B2 Kelanang smallholders informed FFB production, fertilizer and chemical application recorded in the BRL.</p> <p>Review the BRL of smallholders with information of FFB production.</p> <p>SPOC B2 Kelanang Group Manager maintain record of FFB sales in smallholders' individual file.</p>	Yes
4.2.1.2	<p>SPOC B2 Kelanang established FFB production summary record by monthly basis for smallholders updated as at January 2023.</p> <p>SPOC B2 Kelanang maintain records of FFB sales and weighbridge ticket in smallholders' individual file.</p> <p>Field interviews with sampled SPOC B2 Kelanang smallholders informed FFB sales receipts and weighbridge tickets are maintained.</p>	Yes

Principle 3: Compliance to legal requirements

Indicator	Summary of Assessment	Compliance
4.3.1.1	<p>List of legal requirements applicable for independent smallholders and related records of Licenses, working permits, Sales record to MPOB licensed purchasers were maintained. Monitoring and periodic updating of evaluation of compliance documentation was established.</p> <p>Document reference: MSPO/SPOC/L-01/SKU) updated date 01/04/2023 Issues No.3 Rev. 5 Listed 1 legal requirements such as:</p> <ol style="list-style-type: none">1. Act 127 & A1441 - Environmental Quality Act- 6 related acts & regulations;2. Act 139 - Factory and Machinery;3. Act 149 - Pesticides Act and Regulations;4. Act 155 - Immigration Act;5. Act 226 - Akta Taman Negara 1980;	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	6. Act 265 - Akta Pekerjaan 1955; 7. Act 342 - Prevention and Control of Infectious Diseases Act 1988; 8. Act 350 - Akta Kanak-kanak dan Orang Muda (Pekerjaan) 1966; 9. Act 418 – Water 1920; 10. Act 446 – Workers' Minimum Standards of Housing and Amenities Act, 1990; 11. Act 514 - OSHA and Regulations 1994; 12. Act 582 - MPOB Act 1998; 13. Act 716 - Akta Pemuliharaan Hidupan Liar 2010; 14. Garis Panduan Pembangunan Melibatkan Sungai dan Rizab Sungai (Jabatan Pengairan dan Saliran); 15. Act 732 - National Wages Consultative Council Act 2011 (Minimum wages order 2020); 16. Akta 52 - Akta kanun Tanah Negara 1965; 17. Integriti (SPRM garis Panduan Tatacara Mencukupi) 2018; 18. Akta Bekalan Elektrik 1990; 19. Pengubalan Ordinan darurat (Pencegahan dan Pengawalan Penyakit Berjangkit) (Pindaan 2021).	
4.3.2.1	Land Titles are available for sampled smallholders in the MSPO certification scheme of B2. Title deeds were verified and did not have any disputes, claims and caveats. They are having a legal land ownership and not having any disputes with regard to land rights with others. Sampled smallholders sighted were for “Tanaman Kelapa Sawit” or “Tanaman Kekal” which it was confirmed that Selangor state accepted both statements is acceptable for Oil Palm planting. The 44 sampled smallholder SPOC B2 has been assessed and witnessed by auditors.	Yes
4.3.3.1	Title deeds indicate transfer to present owners and usage of land for oil palm agriculture. No customary or legally owned land taken over under disputed conditions. Maps with coordinate readings are available and verified. No customary or legally owned land taken over under disputed conditions. Sampled at field the planted land does not encroach into other neighbors' lands unlawfully.	Yes
4.3.3.2	Title deeds indicate transfer to present owners and usage of land for oil palm agriculture. No customary or legally owned land taken over under disputed conditions. Maps with coordinate readings are available and verified.	Yes

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Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
	No customary or legally owned land taken over under disputed conditions. Sampled at field the planted land does not encroach into other neighbors' lands unlawfully.	

Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	<p>The group manager has specific procedure for addressing and handling the complaint and grievances raised by the stakeholders / group members. The procedures entitled <i>Manual Prosedur Kerja MSPO: Prosedur Kerja Standard – Aduan dan Rungutan</i> (MSPO/SSCC/SOP-01/AR) dated 01/06/2021 is available and explained the flow for addressing and handling the complaint and grievances.</p> <p>According to the procedure, the complaint received shall be addressed within 14 working days using a complaint form <i>Borang Aduan dan Rungutan</i> (MSPO/SSCC/F-01/AR). The group manager is the responsible person to handle and manage any complaints. In the situation where the complaint cannot be resolve by the SPOC within 14 days, it will be referred to other parties or MPOB headquarters to resolve the matters. Briefing of the procedure were conducted to the smallholders on 21/02/2023 as verified in the training records.</p> <p>Based on interview with group manager, sampled smallholders and documentation review, as to the date of audit, there is no complaint received by the group manager and sampled smallholders from the neighbours or other stakeholders related to the group members. Informed by the smallholders, the mechanism of complaint also has been briefed during <i>Lawatan Khidmat Nasihat (LKN)</i> and during their registration for SPOC participation.</p>	Yes
4.4.1.2	<p>The group manager has specific procedure for addressing and handling the complaint and grievances raised by the stakeholders / group members. The procedures entitled <i>Manual Prosedur Kerja MSPO: Prosedur Kerja Standard – Aduan dan Rungutan</i> (MSPO/SSCC/SOP-01/AR) dated 01/06/2021 is available and explained the flow for addressing and handling the complaint and grievances.</p> <p>According to the procedure, the complaint received shall be addressed within 14 working days using a complaint form <i>Borang Aduan dan Rungutan</i> (MSPO/SSCC/F-01/AR). The group manager is the responsible person to handle and manage any complaints. In the situation where the complaint cannot be resolve by the SPOC within 14 days, it will be referred to other parties or MPOB headquarters to resolve the matters. Briefing of the procedure were conducted to the smallholders on 21/02/2023 as verified in the training records.</p> <p>Based on interview with group manager, sampled smallholders and documentation review, as to the date of audit, there is no complaint received by the group manager and sampled smallholders from the neighbours or other stakeholders related to the group members.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	Informed by the smallholders, the mechanism of complaint also has been briefed during <i>Lawatan Khidmat Nasihat (LKN)</i> and during their registration for SPOC participation. They also informed that the Group Manager of SPOC B2 is responsible for handling any complaints, grievance and disputes matters which is found stated in the procedure established.	
4.4.2.1	<p>The group manager has established <i>Manual Prosedur Kerja MSPO: Garis Panduan Keselamatan dan Kesihatan Pekerjaan</i> (MSPO/SSCC/GP-02/KKP) dated 01/06/2021. The guidelines included:</p> <ul style="list-style-type: none"> a. Responsibilities/<i>Tanggungjawab</i>; b. Safe Working Procedure/<i>Prosedur Kerja Selamat di Kebun</i>; <ul style="list-style-type: none"> • Harvesting/<i>Penuaian</i>; • Chemical Spraying/<i>Penyemburan Racun</i>; c. Manuring/<i>Pembajaan</i>. <p>On the other hands, the manual has also included procedure for the implementation of emergency response procedure (<i>Prosedur Kemalangan, Kejadian Berbahaya dan Keracunan Pekerjaan</i> - MSPO/SPOC/SOP-05/KK) dated 01/06/2021. As to the date of audit, there is no accident recorded or reported within the group members operations. This has been verified through interview with sampled smallholders conducted during the assessment. In addition, informed they had been briefed on the usage of PPE and used it on field when handling chemicals and fertilizer application.</p> <p>Based on records, it was confirmed that the Group Manager has taken action to provide relevant training to the group members (i.e., existing members and newly members):</p> <ul style="list-style-type: none"> a. <i>Lawatan Khidmat Nasihat (LKN)</i> from 17/04/2023 to 20/06/2023; b. <i>MSPO Briefing</i> dated 21/02/2023. 	Yes
4.4.3.1	<p>The group manager has established a procedure to employ temporary workers as defined in <i>Syarat Mengupah Pekerja di Kebun Sawit</i> (MSPO/SSCC/SMP-01) (rev-02) which among other outlining the workers shall follow safety and health instruction during the work activities.</p> <p>The group manager also established a standard format of <i>Terma Penggajian Pekerja</i> (MSPO/SSCC/TPP-01) (rev-02) which the group members to list agreed type of work and rate for every work.</p> <p>There is no activity / operation observed during the audit. It was confirmed through an interview with a sampled group member of smallholders, they are operated by themselves or engage FFB dealer services for harvesting, chemical spraying or manuring. Field interviews with sampled smallholders informed they paid RM 75.00 to RM95.00 per ton of FFB harvested.</p>	Yes
4.4.3.2	The group manager has established a procedure to employ temporary workers as defined in <i>Syarat Mengupah Pekerja di Kebun Sawit</i> (MSPO/SSCC/SMP-01) (rev-02) which among other outlining the	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>commitment of smallholders to prevent the practice of discrimination against race, religion, gender, nationality and political affiliation.</p> <p>SPOC B2 Kelanang also adopted MPOB MSPO Policy- states SPOC is 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>Based on interview with group manager and sampled smallholders has confirmed that no discriminatory practices implemented by the smallholders especially for the matters related to the working operation. Further verification on documentation review and site visit has confirmed that there is no discrimination complaint recorded as to the date of audit.</p>	
4.4.3.3	<p>The group manager has established a procedure to employ temporary workers as defined in <i>Syarat Mengupah Pekerja di Kebun Sawit</i> (MSPO/SSCC/SMP-01) (rev-02) which is stated the following:</p> <ul style="list-style-type: none"> • Payment of wages shall be based on the work type as per recommended by the Group Manager; • Rate of payment shall be mutually agreed between both the workers and the smallholders; • All payment shall be recorded. <p>The group manager also established a standard format of <i>Terma Penggajian Pekerja</i> (MSPO/SSCC/TPP-01) (rev-02) which the group members to list agreed type of work and rate for every work.</p> <p>There is no activity / operation observed during the audit. It was confirmed through an interview with a sampled group member of smallholders, they are operated by themselves or engage FFB dealer services for harvesting, chemical spraying or manuring. Field interviews with sampled smallholders informed they paid RM 75.00 to RM95.00 per ton of FFB harvested.</p>	Yes
4.4.3.4	<p>Based on interview with sampled smallholders and field visit, it is confirmed that all sampled smallholder visited during the audit are perform major field operation such as harvesting, spraying and manuring by their own and engage FFB dealer services. No on-site living is provided as the smallholders are living at their own house.</p>	Yes
4.4.3.5	<p>As reflected earlier, the audit team observed that the group manager has issued the <i>Syarat Mengupah Pekerja Di Kebun Sawit</i> (MSPO/SSCC/SMP-01) (rev-02) which among other outlining the prohibition of children and young persons (age 18 and below).</p> <p>Further verification on documentation review, site visit and interview with sampled smallholders has indicates that there is no evidence of employment of children and young person made by the smallholders.</p>	Yes
4.4.4.1	<p>The group manager has established procedure for the implementation of training to provide knowledge and increase their competency in oil palm management. The procedure is available in <i>Section 2.1.2: Latihan MSPO kepada PKP</i> (MPK rev-04).</p> <p>The group manager has established <i>Plan Program Bulanan SPOC B2</i></p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	<p>2023 as part of continual improvement. List of programmes has been included in the calendar (example) as follow:</p> <ul style="list-style-type: none"> • <i>Taklimat MSPO dan Kaunter Bergerak;</i> • <i>Program Latihan Pensijilan GAP/Promosi KPSM.</i> <p>Example of the training program conducted by the group manager to the existing and new group members are as follows:</p> <p>a. Lawatan Khidmat Nasihat (LKN) conducted from 17/04/2023 to 20/06/2023;</p> <p>b. <i>KPSM Training</i> conducted on 21/02/2023.</p> <p>Attendances list, training material and photos of the above training is made available during the audit. The training covering among others:</p> <ol style="list-style-type: none"> MSPO certification awareness; Introduction to new technologies; Regulatory requirements awareness; Safety and health awareness including PPE, safe working practices, etc; Environmental aspects and impacts including schedule waste, buffer zone, etc; Understanding of any species or habitats of concern, together with their conservation needs including information on protected species and their habitat; Information of FFB prices and its calculation; Best agricultural practices; Zero burning practices; Recording of sales, purchase and income. <p>Field interviews with sampled smallholders informed they had attended the MSPO training. Smallholders able to demonstrate understanding of MSPO implementation in farms.</p>	

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	<p>SPOC B2 has established and revised the environmental impact plan to enhance the commitment towards protection and preservation of the environment.</p> <p>Sighted the evidence: Document Senarai Impak Sosial, Persekitaran & Pelan Tindakan Reference MSPO/SPOC/L-04/ISP Date 1/4/2023 Revision No 05 Action plan on mitigating environmental issues.</p>	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> Pembasuhan 3 kali dan ditebuk lubang dan disimpan ditempat yang khas merujuk kepada bekas tong racun; Mengelakkan penggunaan bahan kimia di kawasan zon penampungan sungai; Mengamalkan amalan pembakaran sifar dan pengurusan sisa tanaman yang baik semasa pembukaan kebun; Mengenalpasti dan merekodkan hidupan liar dikawasan kebun; Mengamalkan pengurusan sisa domestic yang baik seperti pengumpulan dan pelupusan sampah yang tersusun dan teratur. <p>MPOB has established an environment management plan to comply with the relevant country and state environmental laws that has been effectively communicated and implemented. MPOB also has organized series of trainings for the smallholders.</p> <p>Group Manager (GM) has been conducted trainings and awareness during the “Lawatan Khidmat Nasihat” with to the smallholders as details below:</p> <ol style="list-style-type: none"> Hassan Bin Zainal – date visited 17.04.2023; Johan Bin Lamin - date visited 17.04.2023; Esah anak Tungkah - date visited 17.04.2023; Khor Chin Kang - - date visited 17.04.2023. <p>An initiative from the GM SPOC to do the briefing individually direct the independent small holder. The agenda of the briefing as below:</p> <ul style="list-style-type: none"> To explain on MSPO policies an awareness; Explanation on no hunting and list of the endangered species Flora and Fauna; No open burning activities; To mark empty chemical container, to do triple rinsing and to have proper arrangement on schedule waste management; To mark the boundary and signboards related to the activities to MSPO; Do not practice blanket spray; To preserve buffer zone; Propose the spraying programme; PPE awareness; Manuring programme; Froning management. <p>Sighted sample of “Laporan Lawatan Khidmat Nasihat” for independent small holder.</p>	

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.2.1	There is no implementation of renewal energy at SPOC B2 as confirmed during the site visits.	Yes
4.5.3.1	<p>All waste products and sources of pollution has been identified by the SPOC B2 group manager. Sighted the evidences of SOP developed by MPOB as below:</p> <ol style="list-style-type: none"> SOP “Pengurusan Bahan Buangan Terjadual” document reference: MSPO/SSCC/SOP-04/BT, effective date: 1/4/2023, Issue No: 5; “Senarai Sisa Racun dan Domestik”, document reference: MSPO/SSCC/L-03/BTSD, effective date: 1/4/2023, Issue No: 5. <p>It includes the following:</p> <ol style="list-style-type: none"> Pengurusan bahan buangan terjadual; Pengendalian dan pelupusan bahan kimia; Borang senarai bahan buangan terjadual; Lampiran jadual pertama; Senarai sisa yang terhasil dari input pertanian; Senarai sisa yang terhasil bukan dari input pertanian 	Yes
4.5.3.2	During audit, it was sighted in general, all waste including schedule waste and domestic well managed.	Yes
4.5.4.1	<p>From field visits and interviews with sampled smallholders, noted that they are aware with maintaining the quality of the natural water by ensure not apply the chemical activity nearby the water resources.</p> <p>Sighted no spraying activity been done at the drain area. Verified during site visit, no natural waterways passing through the smallholder’s farm. The smallholder has shown their understanding on the awareness on maintaining the quality and availability of surface water.</p>	Yes
4.5.4.2	<p>Sighted the water harvesting practices was practiced by all smallholder by using the water catchment, culvert, water tank & etc. The rainwater was used for the purpose of field maintenance.</p> <p>During audit, sample fields that implementing the rain harvesting for spraying purpose as details below (Lot No):</p> <ol style="list-style-type: none"> 3424 – 1 unit; 403 – 1 unit; 18669 – 2 units. 	Yes
4.5.5.1	<p>An initiative from the GM SPOC B2 to do the briefing individually direct the independent small holder. The agenda of the briefing as below:</p> <ul style="list-style-type: none"> To explain on MSPO policies an awareness; Explanation on no hunting and list of the endangered species Flora and Fauna; 	Yes

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> No open burning activities; To mark empty chemical container, to do triple rinsing and to have proper arrangement on schedule waste management; To mark the boundary and signboards related to the activities to MSPO; Do not practice blanket spray; To preserve buffer zone. <p>Sighted sample of "Laporan Lawatan Khidmat Nasihat" for several independent smallholders.</p> <p>During interviews with smallholder, observe that they show the understand and awareness of the species, habitats of concern, and no conflict via illegal hunting. As verified with the smallholders, there are no encounter of any protected species identified in the field.</p>	
4.5.6.1	<p>MPOB has established the MSPO Policy which includes attention to zero burning. Other than that, a guideline pertaining Open Burning has been established by SPOC B2. Sighted "Garis Panduan Amalan Pembakaran Sifar", Ref. Document MSPO/SPOC/GP-04/APS, Rev. No. 5, dated on 1/4/2023.</p> <p>During site visit, there was no activity of replanting programs or land preparation for the oil palm cultivation sighted on the ground.</p>	Yes

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	<p>The group manager has established a standard operating procedure (SOP) for good agricultural practice. It is evident in <i>Manual Penanaman dan Penyelenggaraan Sawit untuk Sektor Pekebun Kecil</i> (July 2004).</p> <p>In addition, "<i>Manual Prosedur Kerja (MPK) Pensijilan Minyak Sawit Mampan Malaysia (MSPO) Bagi Pekebun Kecil Persendirian</i>" also has been established as a guidance for MSPO, latest updated on 01/06/2021 (MPK rev-04).</p> <p>Group members have been communicated with the contents of guidance book/SOP/best practices through:</p> <ol style="list-style-type: none"> Lawatan Khidmat Nasihat (LKN) conducted from 17/04/2023 to 20/06/2023; KPSM Training conducted on 21/02/2023. <p>Based on site inspection conducted for group members sampled during the audit, there are evident indicating the group members maintaining the best practices as recommended in the documented information above, for example:</p> <ul style="list-style-type: none"> Retain soft grasses on the field ground; 	Yes

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Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
	<ul style="list-style-type: none"> - Good canopy management; - Proper frond stacking. <p>Field interviews made with sampled of group members indicates that they are aware on the guidance provided to them by the group manager regarding schedule for manuring and spraying activities. They refer to the schedule as guidance to carry out spraying and manuring activities subject to their financial condition.</p>	
4.6.1.2	<p>During site visit, the audit team observed that group member's field are clearly demarcated boundary with boundary stones/boundary peg. Site inspection conducted during the assessment confirms that sampled of group members are maintaining boundary marking (stone, peg, stacking fronds and drain) to demarcate their land area.</p> <p>Sighted during site visit, the signboard was established at group member's field with appropriate information of SPOC name, name of owner, land lot no., area hectarages, GPS Coordinate and planted years. Examples are as per below:</p> <ul style="list-style-type: none"> • Nama Pemilik: MSS; • No. Lot: PT 795; • Keluasan: 0.59 Ha; • Koordinat GPS: 2°41'47.8" N, 101°30'58.6"E; • Tahun Tanam: 1999. 	Yes
4.6.2.1	<p>The group manager has provided evident of <i>Pelan Daya Ekonomi dan Kewangan</i> (MSPO/SSCCGP-01/PEK; Date: 01.06.2021) to demonstrate the business management plan and ensure economic viability of the group members.</p> <p><i>Pelan Daya Ekonomi dan Kewangan</i> (MSPO/SSCCGP-01/PEK; Date: 01.06.2021) covering aspects as below:</p> <ul style="list-style-type: none"> • 'Amalan Pertanian Baik'; • 'Panduan Pembajaan'; • 'Panduan Meracun atau Merumpai'; • 'Analisis Purata Pendapatan Bersih Pekebun Kecil Mengikut Tahun dan Bulan'. <p>Routine 'Lawatan Khidmat Nasihat (LKN)' is conducted from 17/04/2023 to 20/06/2023 in objective to ensure all information regarding the economic and financial viability plan has been communicated.</p>	Yes
4.6.3.1	<p>Based on field interviews with group members sampled during site visit has confirmed that the group members having consultations with FFB dealers and local communities.</p> <p>Sampled of group members able to demonstrate their understanding on the calculation method of FFB prices.</p>	Yes

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Principle 6: Best Practices

Indicator	Summary of Assessment	Compliance
	<p>In addition, some of sampled group members were attended yearly meetings with MPOB Officer and FFB dealers which consists of participation from local communities and government bodies. Among of the meeting agenda is explanation regarding MSPO and FFB prices. This has been verified through interview with the sampled group members visited during the audit.</p> <p>During documentation review, it was found that latest briefing was conducted to the group members on 21/02/2023 as verified through record of 'Mesyuarat Agung Tahunan KPSM Kuala Langat Berhad'. In the other hands, some of FFB collecting centre communicated FFB prices to the group members through notice board at dealers' office. It was observed during site visit at FFB collecting centre.</p>	

Principle 7: Development of new planting

Indicator	Summary of Assessment	Compliance
4.7.1.1	<p>SPOC B2 Kelanang smallholder's database is review with first planting in 1989 and latest replanting in year 2020.</p> <p>There are no new plantings for old members and new members.</p> <p>Therefore, no assessment on high biodiversity value area.</p>	Yes
4.7.2.1	<p>SPOC B2 Kelanang smallholder's database is review with 1st planting in 1989 and latest replanting in year 2020.</p> <p>There are no new plantings for old members and new members.</p> <p>Therefore, no assessment on type of soil.</p>	Yes
4.7.3.1	<p>SPOC B2 Kelanang smallholder's database is review with 1st planting in 1989 and latest replanting in year 2020.</p> <p>There are no new plantings for old members and new members.</p> <p>Therefore, no data for type of terrain available.</p>	Yes

4.4. Status of Non-Conformities Previously Identified

	The stage 1 audit findings of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS implemented to address identified audit findings. Details of the follow up action taken on stage 1 audit findings were recorded in the Stage 1 audit report.
	The last audit results of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS implemented to address any nonconformity identified.
	The last audit results of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS NOT been implemented effectively. Non-conformity will be re-raised.
X	No non-conformity raised in previous audit.

Note 1: If a minor non-conformity raised in last audit, is not closed out, the finding will be raised to a Major non-conformity.

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Note 2: All major and minor NCs raise in last audit are required to capture in this report together with the review of the non-compliance implementation.

4.5. Detail of Audit Findings in last Audit

AUDIT OUTCOME		
During last audit	0	MAJOR Non-Conformities
	0	MINOR Non-Conformities

4.6. Detail of Audit Findings Identified During This Audit

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

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

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.	Field	SPOC B2 Kelanang could improve MSPO training to new members.
2.	4.5.3.2	Independent smallholders shall ensure that waste from the smallholdings is disposed of appropriately. Smallholders shall adopt local and national legislation to dispose of hazardous chemicals and their containers.	Field	SPOC B2 Kelanang could improve the waste management disposal appropriately.
3.	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.	Field	SPOC B2 Kelanang could improve on GAP as follows: <ul style="list-style-type: none">• Ganoderma attacks;• Spraying technique.

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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 B2 Kelanang consisting of 936 independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

From the review of the standard operating procedures, guidelines, 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 General Principles for Independent Smallholders.

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

Total certified number of independent smallholders:	847
Total certified acreage of smallholders:	1,216.42 Ha

MSPO Certification Summary Report

Company Name: Malaysian Palm Oil Board (MPOB)
Certifying Unit: SPOC B2 Kelanang
Client Number: 92- 066
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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 with this summary report as an 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 demonstrated state of development and maturity that the certification to be

	Recommended for Certification
X	Recommended for Continuity of Certification
	Suspended of Certification

Puchong, 08/08/2023

Ariff Bin Lokman
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 11/08/2023

Navin Baskram
TUV NORD (Malaysia) Sdn Bhd
Certifier / Approver

MSPO Certification Summary Report

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7. LIST OF STAKEHOLDERS

No stakeholders' consultation conducted in accordance to ACB – OPMC 4 Issue 2 dated 04/09/2020, Stakeholder Consultation Requirements Section 6: Consultation during audit, §6.1: During the stage 2 and recertification audit. Therefore, no stakeholders listed.

MSPO Certification Summary Report

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

This report is sent by the certification body to 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 regards to the management system.

Annex / Enclosures

Annex /
corresponding audit documentation

- ☒ P&C Audit Report / Checklist(s)
- ☒ Audit Plan