



MSP0 CERTIFICATION SUMMARY REPORT

SPOC C8 RAUB & BENTONG

STAGE 2 – CERTIFICATION AUDIT

Date: 23/01/2019

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MSPO Certification Summary Report

Company Name: MPOB Cawangan Raub
Certifying Unit: SPOC C8 (Raub & Bentong)
Client Number: 92-051
Audit Type: Stage 2 – Certification Audit



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ABBREVIATIONS

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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
ERT	Endangered Rare and Threatened species
FFB	Fresh Fruit Bunch
GPS	Global Positioning System
IPM	Integrated Pest Management
SDS	Safety Data Sheet
NC	Non Conformity
OSH	Occupational Safety and Health
P&C	Principle and Criteria
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
SA8000	Social Accountability 8000
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
MT	Metric Tonnes
MPOB	Malaysian Palm Oil Board
HBV	High Biodiversity Value
SPOC	Sustainable Palm Oil Cluster
LKN	Latihan Khidmat Nasihat

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1. INTRODUCTION

MPOB Cawangan Raub has commissioned TÜV NORD (Malaysia) Sdn Bhd to conduct an initial certification audit for its SPOC C8 Raub & Bentong independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

1.1. Objective

The objective of this stage 2 certification audit is to assess the MPOB Cawangan SPOC of C8 Raub & Bentong as group manager managing the independent smallholders by an independent certification body. The aim of this surveillance audit is assessed on the compliance of the standard by MPOB Cawangan SPOC C8 Raub & Bentong.

1.2. Scope

The certification is based on the documentation developed by MPOB Cawangan SPOC C8 Raub & Bentong in managing the independent smallholders' scheme.

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

The documents and information were 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.

In addition, the following reference was used as part of the assessment; the compliance of the requirements out of the guidelines applied was checked.

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

1.3. Appointment & Qualification of Audit Team Members

A certification team consisting of one team leader, 1 team member and 1 auditor in monitoring is appointed. The team members contribute to the review of documents, the assessment of the project activity and preparation of this report under the leadership of the team leader.

Qualification of the Lead Auditor (Trainee): Sheron Pui Ling Wui

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;	Bachelor in Medical Science

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Requirement	Qualifications
iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	Auditor in training
Attended the MS 2530 series of standards training	Successfully completed MSPO Lead Auditor training course.
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) man-days under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.	LA in training for MSPO scheme.
A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia or any other local language.	Able to communicate in Bahasa Malaysia, Chinese and English.
Field working experience in the palm oil sector, or demonstrable equivalent	Qualified MSPO and RSPO schemes auditor. Have been conducting audit for both MSPO and RSPO
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Qualified as auditor for MSPO and RSPO scheme.
Health and safety auditing on the farm and in processing facilities, for example IUSO 45001 or Occupational, Health & Safety Assurance System	Attended 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 Basic SA 8000 training.
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 14001:2015 Lead auditor course.

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Qualification of Team Members

Requirement	Assessor	Qualification	Compliance
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	Terence Ang Wai Sheng	Diploma and Advance Diploma in Tourism Management	Yes
	Arif Bin Lokman	Graduate in Plantation Industry Management	
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)	Terence Ang Wai Sheng	More than 8 years in sustainable related field	Yes
	Arif Bin Lokman	7 years working experience in estate management.	
Attended the MS 2530 series of standards training	Terence Ang Wai Sheng	Successfully completed MSPO, RSPO P & C LA, SCC, RSPO Next and ISCC-EU training.	Yes
	Arif Bin Lokman	Successfully completed MSPO Lead Auditor training course.	
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.	Terence Ang Wai Sheng	Has conducted 3 MSPO and equivalent sustainability certification (RSPO) as lead auditor in training	Yes
	Arif Bin Lokman	Auditor in monitoring for MSPO scheme	
A good knowledge in handling and evaluating sources of information and data. Able to communicate in	Terence Ang Wai Sheng	Able to communicate in Bahasa Malaysia, English languages.	Yes

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Requirement	Assessor	Qualification	Compliance
Bahasa Malaysia or any other local language.	Arif Bin Lokman	Able to communicate in Bahasa Malaysia, English languages.	
Field working experience in the palm oil sector, or demonstrable equivalent	Terence Ang Wai Sheng	3 year as Certifier and Reviewer for RSPO P&C and SCC schemes Wildlife (Biodiversity) and Ecotourism Consultant (EMS &HCV) 3 years as Wildlife Guide (Licensed issued by Ministry of Tourism, Malaysia) 6 months as Field Technician for University of Montana on HC	Yes
	Arif Bin Lokman	7 years working experience in estate management	
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Terence Ang Wai Sheng	2 year auditor for RSPO and MSPO schemes	Yes
	Arif Bin Lokman	7 years working experience in estate management.	
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Terence Ang Wai Sheng	2 year auditor for RSPO and MSPO schemes	Yes
	Arif Bin Lokman	Successfully completed Lead Auditor course for IMS	
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes	Terence Ang Wai Sheng	Successfully completed SA8000 Basic Training and 1 year auditor for RSPO and MSPO scheme	Yes
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001	Terence Ang Wai Sheng	2 year auditor for RSPO and MSPO scheme	Yes

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Requirement	Assessor	Qualification	Compliance
or Environmental Management Systems (EMS) or High Conservation Value (HCV)	Arif Bin Lokman	Successfully completed Lead Auditor course for IMS	

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2. METHODOLOGY

The audit approach consists of the following steps:

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

The certification audit was conducted in 2 stages in accordance to the certification procedure.

Stage 1 Audit:

Stage 1 audit was conducted on 26/05/2016 at SPOC C8 Raub & Bentong office that covers desk review activities:

- Background investigation
- Review of documentation established but not limited to below
 - SPOC Operating Policies
 - Farms map
 - Land titles or land application
 - Standard Operating Procedures
 - Work Flow Charts
 - MPOB licenses and approvals
 - Training records
 - Applicable Legislation Documents
- Interviews of relevant operation personnel

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- Assessment reporting

Stage 2 Certification Audit:

Stage 2 certification audit was conducted on 21/11/2018 to 22/11/2018 covers the following activities but not limited to below:

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

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

On-site Assessment

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

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

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

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

The group of smallholders consists of 50 members.

Based on the formula, the sample size $S = 7.1$. Thus, a total of 8 smallholders were selected for the onsite assessment and inspection listed in Table 2-1 below:

Table 2-1: List of Independent Smallholders

Name of independent smallholders	Specific Address / site
Shahrul Azhar Bin Alang Saidi	32-A, Kg Gali Hilir, 27600, Raub, Pahang
Tan Eng Wah	Batu 4 1/4, Sungai Buaya Hujung, 42700, Banting, Selangor
Pon Kum Yeen	No 435, Sungai Ruan, 27500, Raub, Pahang

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Name of independent smallholders	Specific Address / site
Pon Suet Yin	No 435, Sungai Ruan, 27500, Raub, Pahang
Naida Binti Jamaludin	No 27 Rtp Lembau Klau, 27630 Raub, Pahang
Mohammad Afdilah B Ahmad Nor	RTP Klau
Zakaria Bin Khalid	No. 41b Kampung Lebu, 28700 Bentong Pahang
Mok Kwong Yoon	No. 128 E, Sungai Klau, 27630 Raub, Pahang

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 and Minor as well as Observations (OBS) may be raised during the audit.

Major non-conformance shall be addressed and responded with 60 days from date of audit. All minor non-conformances required to submit action plan for review and accepted by Lead Auditor. Implementation of Minor NCs and OBS will be reviewed and verified during the next audit.

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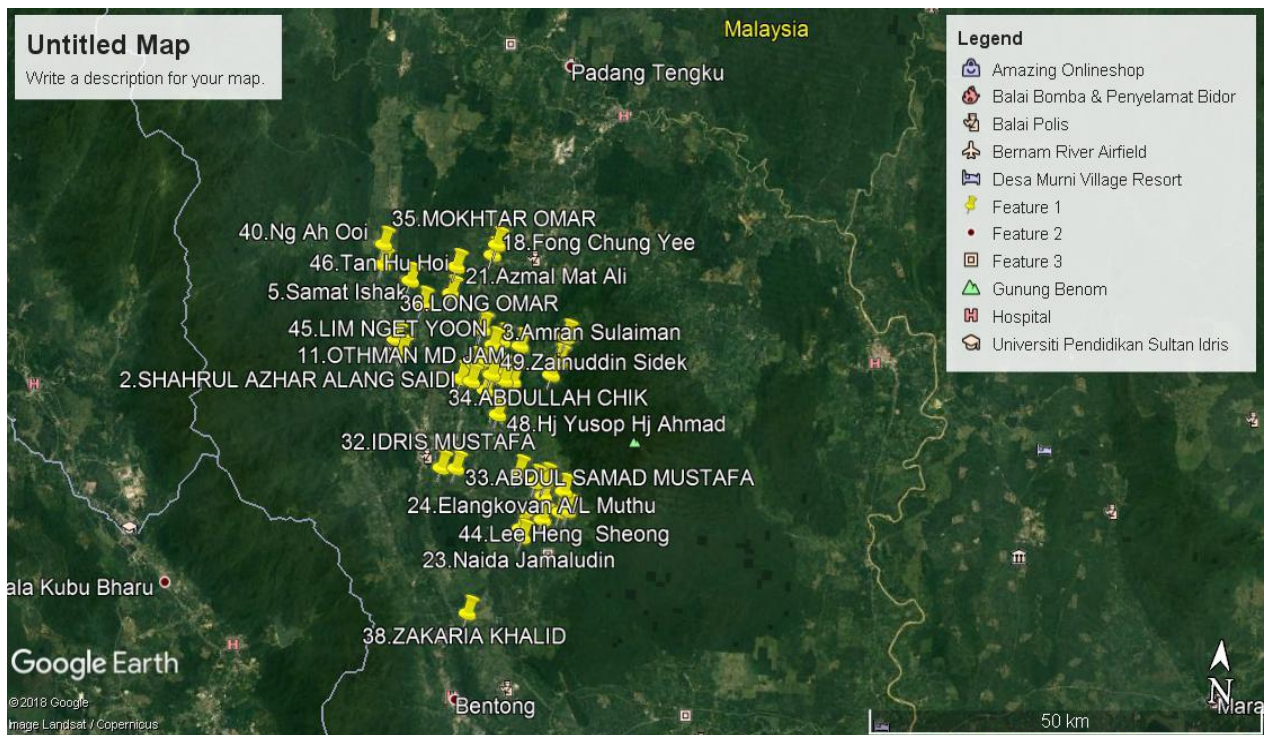
3. ORGANISATION INFORMATION

MPOB Cawangan SPOC C8 Raub & Bentong, is a branch of MPOB located at Raub to provide technical support as well as develop the independent smallholders' scheme around the Raub district.

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

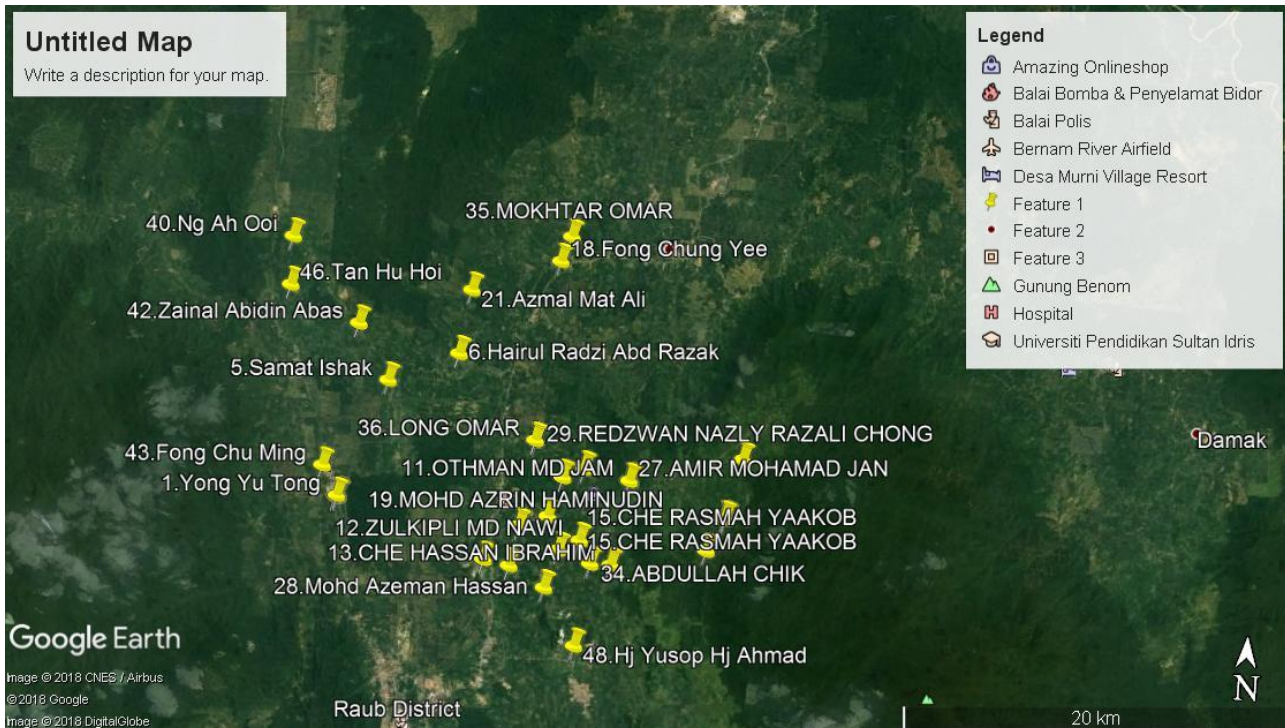
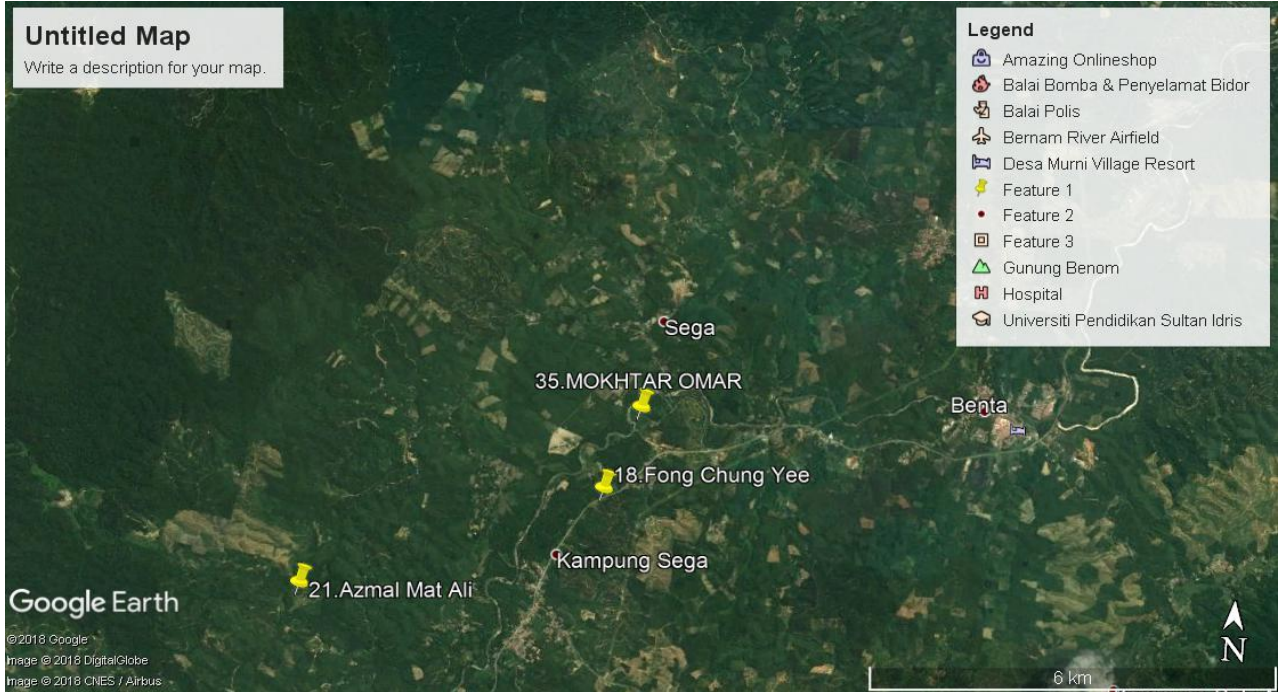
The location of the SPOC office is at No. 30, Tingkat 1, Pusat Perniagaan Raub, 27600, Raub, Pahang.

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



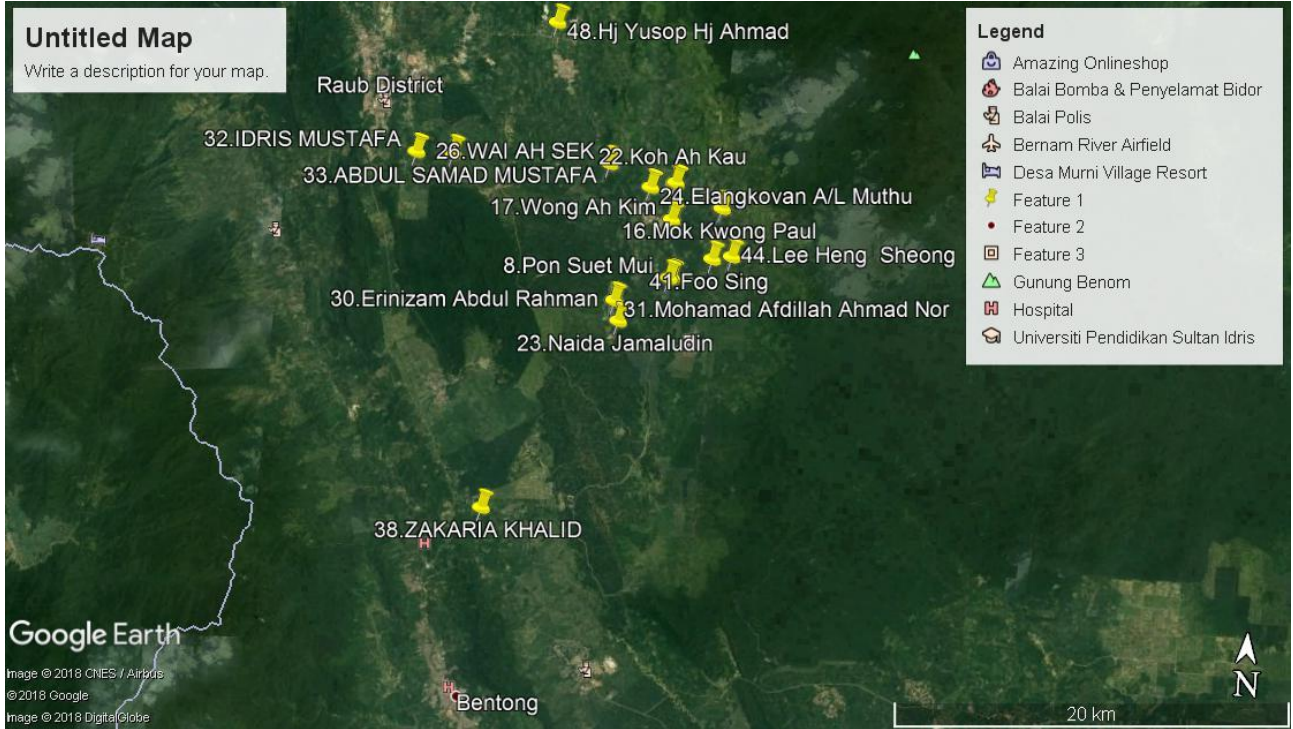
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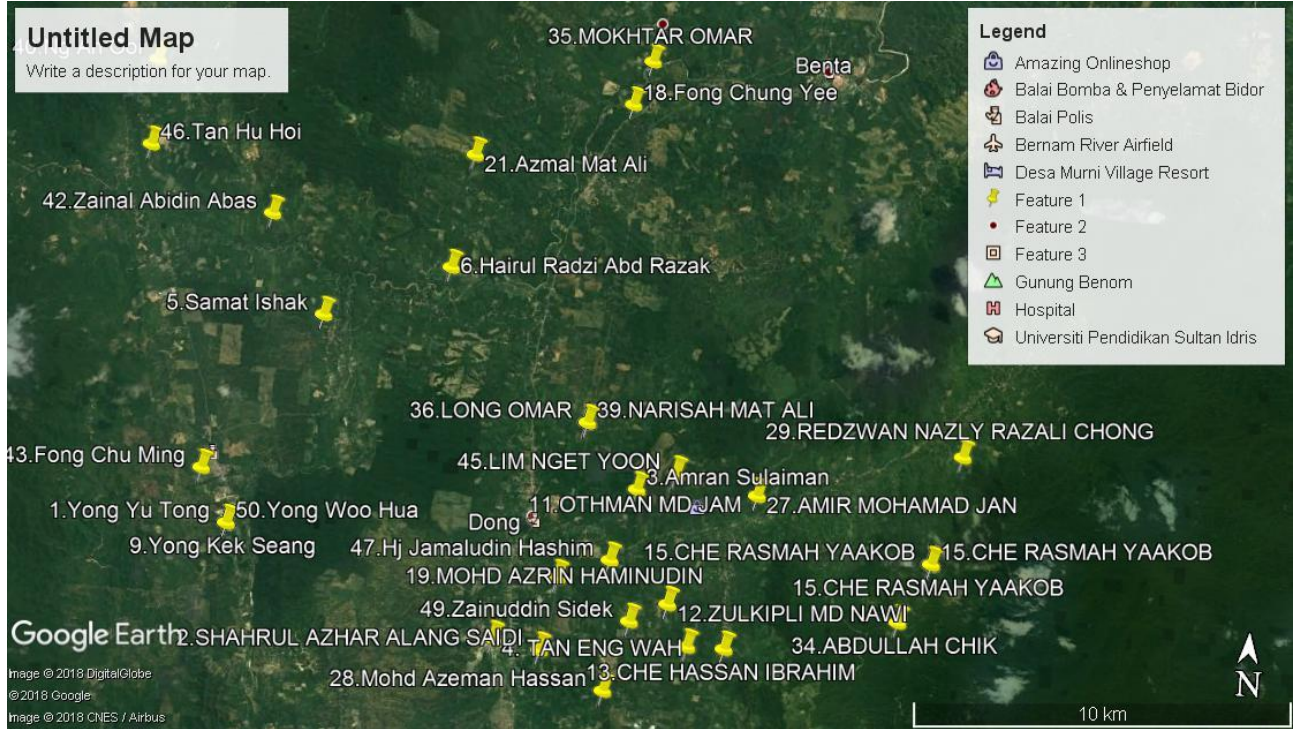
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4. CERTIFICATION ASSESSMENT

4.1. Certification Audit

The objective of the certification audit is to assess the activities of MPOB Cawangan SPOC C8 Raub & Bentong is in compliance with MS 2530-2: 2013 Part 2: General principles for independent smallholders' requirements.

There are 50 smallholders joined the certification.

The certification audit is conducted on 21/11/2018 to 22/11/2018 that include inspection of the smallholders farms, farms boundary, interviews, conduct stakeholders' consultation and review of the observations raised during stage 1 audit.

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

The details assessment of the Principles & Criteria, refer to P & C audit report attached to this summary report.

During the onsite the following were verified.

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

During the stage 1 audit, there were 9 observations raised. The audit team has reviewed and closed out the observations raised by means of inspection of smallholders' farms, conduct interviews, review and verify documents that are established, corrected and implemented appropriately by the SPOC team. The corrective measures implemented could be verified as appropriate and the observations were closed out.

The number of audit findings raised in this audit been addressed in Section 4.3 of this audit report. For details of the assessment, refer to the P & C audit report attached to this summary report.

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 20/10/2018 to obtain feedback and comments. As at audit date on 21/11/2018 – 22/11/2018 there were no comments received.

In addition, invitation letters were sent on 07/11/2018 to invite relevant stakeholders to attend a local stakeholder consultation on 21/11/2018 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

The topics of discussion are as below:

- a. Introduction of SPOC C8 Raub & Bentong objectives of MSPO standard certification for smallholders.
- b. Development of smallholders farms in SPOC C8 Raub & Bentong area;
- c. Wildlife management area and impact to the smallholders;
- d. Environmental issues on the impact of river contamination;

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- e. Type of wildlife around SPOC C8 Raub & Bentong area;
- f. Support from processing palm oil mills at SPOC C8 Raub & Bentong area

There are no issues raised during the stakeholders’ consultation that need to be addressed by the SPOC management office. It can be concluded the relevant Principles and Criteria clauses of the applied standard are in compliance.

The List of Stakeholders who attended the meeting refer to table 6.3.

For details of the assessment, refer to the P & C audit report attached to this summary report.

Item	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Any information from Group Manager as regards to the MSPO audit?	Stakeholders confirm MSPO information are provided by the group manager. The group manager provides information via visit or training.	Positive comment
2	Social context	Discuss with RISDA & PPK there are no social issues arise due to the oil palm plantation. Others stakeholder feedback there is no social issue arise and no issue regards to foreign worker as well.	Positive comment
3	Understanding of “NCR Land”?	Discuss with JAKOA on NCR land the officer confirmed there is no issue as regards to NCR land.	Positive comment
4	Economy / Livelihood Is there any impact on livelihood after the introduction of MSPO/RSPO?	Stakeholders attended feedback there is increase of livelihood of local people in term of income. Officers from RISDA had feedback the improved of safety awareness had reduce in work injury.	Positive comment
5	Does MSPO/RSPO will largely benefits the local community?	Stakeholders attended feedback the implementation of MSPO has improve the GAP practice and safety and health concern. Officers from RISDA and PPK who had always liaise with smallholder had seen the improved of GAP practice at the smallholder plantation and safety awareness which had been improved by using proper PPE while smallholder work in the plantation.	Positive comment
6	HCV and environmental understanding	JOKOA officer feedback the smallholders are aware on protected animals shall not be hunted and no practice of hunting protected species.	Positive comment
8	Support to smallholders	Stakeholders confirmed that the group manager has assist the	Positive comment

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		smallholders to obtain MPOB license, conduct GAP during visit and increase the awareness by conducting training and LKN to smallholders who had improved the knowledge and awareness in taking care on the plantation.	
9	FFB quality	Mill operator comment the yield have been increase and the quality of FFB sell by smallholder had maintain in good grade after implementation of MSPO.	Positive comment
11	Do you consider any management is in conflict with the MSPO/RSPO principles and criteria?	All attendees informed that they are satisfied with the group manager. There is no case that the management have any practices conflicting to the MSPO P&C	Positive comment
12	Do you have any suggestions for management?	Stakeholder feedback group manager had done good effort to improve the awareness on MSPO. However stakeholder suggested the group manager to carry out more programme or increase the frequency of MSPO program and use different medium to disseminate the information such as video.	Positive comment

4.2. Summary of Assessment

MSPO Principle and sample of the 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 all criterions will be assessed. Evidences were sought for conformity with the MSPO 2530-2. The summary of the assessment can be seen below, where the "Findings/Comments" column reflects the findings in accordance with each criteria and indicator or evidences that were, and when non conformity was found, a summary of the non-conformity can be found below

Principle 1: Management Commitment & responsibility		
Criterion By Audit	Summary of Assessment	Compliance
4.1.1	SPOC C8 Raub & Bentong has established MSPO Policy to the smallholders sign by Group Manager dated 11/04/2018 doc no: MSPO/SSCC/POLICI-01. The policy is available at notice board of MPOB Raub office. Training on policy conducted on 11/04/2018. Stakeholder has feedback there are aware on requirement for MSPO. Latihan Khidmat Nasihat (LKN) is conducted which include policy briefing on 29/10/2018.	Yes

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Principle 1: Management Commitment & responsibility																		
Criterion By Audit	Summary of Assessment	Compliance																
	<p>During site interviewed, smallholders feedback indicate they are aware on MSPO requirements. The awareness has been gain from training attended on 11/04/2018 and LKN conducted by group manager.</p> <p>Example smallholder C8-02 is aware on MSPO regards to environment protection.</p>																	
4.1.2	<p>SPOC C8 has establish continual improvement plan. Document no: MSPO/SSCC/L-04/ISP include List of Social Impact, Environment and Action Plan date effective: 30/03/2018.</p> <p>The CIP include both social and enviromental impact whcih require action by the group manager as part of the continuous improvement.</p> <p>For example: Social impact</p> <table border="1"> <thead> <tr> <th>Activity</th> <th>Impact</th> <th>Action</th> </tr> </thead> <tbody> <tr> <td>Membaja, meracun dan menuai</td> <td>Dapat memberi pendedahan baru kepada pekerja melalui system cara kerja lading yang sistematik dan berdisiplin</td> <td>Amalan diteruskan</td> </tr> </tbody> </table> <p>Internal audit conducted on 30/05/2018 by MPOB HQ officer was reviewed. Result of the internal audit with 6 non compliances and 5 opportunity for improvement. The audit respond had been accepted by the lead officer.</p> <p>During on site visit, smallholders aware of the impact of environment and social on oil palm and the action taken such as triple rinsing on empty pesticides containers is practice to avoid environment impact.</p> <p>Warta Sawit is disseminate to the smallholder as part of providing information on new technology or practices. Latest Warta Sawit was Bil. 69 (2) May – August 2018 is distributed. In addition to warta sawit, GAP evaluation is carried out by the group manager.</p> <p>Example of date distribution of Warta Sawit to targeted group:</p> <table border="1"> <thead> <tr> <th>Dated</th> <th>Program/ disseminate</th> </tr> </thead> <tbody> <tr> <td>29/03/2018</td> <td>PPK Raub</td> </tr> <tr> <td>11/04/2018</td> <td>Taklimat MSPO SPOC C8</td> </tr> <tr> <td>28/06/2018</td> <td>JAKOA Raub</td> </tr> <tr> <td>28/09/2018</td> <td>PPK Raub</td> </tr> </tbody> </table> <p>Site visit interview indicate smallholders receive new information by attending training conducted by group manager on 11/04/2018.</p>	Activity	Impact	Action	Membaja, meracun dan menuai	Dapat memberi pendedahan baru kepada pekerja melalui system cara kerja lading yang sistematik dan berdisiplin	Amalan diteruskan	Dated	Program/ disseminate	29/03/2018	PPK Raub	11/04/2018	Taklimat MSPO SPOC C8	28/06/2018	JAKOA Raub	28/09/2018	PPK Raub	Yes
Activity	Impact	Action																
Membaja, meracun dan menuai	Dapat memberi pendedahan baru kepada pekerja melalui system cara kerja lading yang sistematik dan berdisiplin	Amalan diteruskan																
Dated	Program/ disseminate																	
29/03/2018	PPK Raub																	
11/04/2018	Taklimat MSPO SPOC C8																	
28/06/2018	JAKOA Raub																	
28/09/2018	PPK Raub																	

Principle 2: Transparency		
Criterion By Audit	Summary of Assessment	Compliance
4.2.1	SPOC group is committed to implement the requirement of traceability.	MAJ 1

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Principle 2: Transparency		
Criterion By Audit	Summary of Assessment	Compliance
	<p>This is evidence in the policy and SOP made available for review. SOP in the form of flow chart “Carta Aliran Kebolehkesanan/Kebolehjejukan Oleh Pekebun Kecil” is established.</p> <p>Flow chart describe the start point at smallholder land/plot to place where they sell to such as ramp operator, mill and collection point. The receipt will be issue and obtain from the operator.</p> <p>Record keeping in smalholder record book is review.</p> <p>Example: smallholder C8-08 dated 21/11/2018 sells and deliver 3,770kg.</p> <p>Maj 1:</p> <p>Weighbridge ticket and BRL has been reviewed on all sampled smallholders. During site visit it was found that two sampled smallholders are not using own license and FFB sold is mixing with others license owners.</p> <p>1. Smallholder no. 25 has own license but using his wife license during the selling of FFB. When checks on the ramp there is no mechanism to segregate between FFB of smallholder no. 25 and his wife. During the weighbridge ticket review, there was no evidence that the volume has been segregated and record was his wife’s license.</p> <p>2. Smallholders no 38 use friend license to sell the FFB to the mill. The FFB will be sold through his friend license without segregated. Review of weighbridge ticket show there were no evidence to segregate the smallholder no 38 and his friend FFB.</p> <p>Thus, the volume of FFB sell by smallholder was not traceable.</p>	

Principle 3: Compliance to legal requirements		
Criterion By Audit	Summary of Assessment	Compliance
4.3.1	<p>List of laws dated 30/03/2018 sighted. Document name “Senarai daftar perundangan” is reviewed.</p> <p>Example of legal documents:</p> <ol style="list-style-type: none"> 1. Akta Imigrsen 1959 2. Akta MPOB 1998 3. Akta anti permerdagangan orang dan ani penyeledupan migrans 4. Akta dadah merbahaya 5. Akta Kanak Kanak dan orang muda (Pekerjaan) <p>MPOB license Menjual dan Mengalih BTS/ Selling and relocating FFB for smallholders sighted.</p> <p>Example: Smallholders number: ID 18</p> <p>License number 601193-101000 valid until 31/07/2023.</p> <p>Group manager conducted training on 11/04/2018 include related legal documents. Verified with smallholders, they are aware of the laws and regulation such as no open burning and no hunting for wild animals. No sign of open burning observed in the field.</p>	Yes

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Principle 3: Compliance to legal requirements		
Criterion By Audit	Summary of Assessment	Compliance
4.3.2	<p>All 50 members file have been reviewed and with land title for oil palm cultivation. No issue concerning land dispute raised by stakeholders.</p> <p>Example: Smallholder C8-07 Land No: 9677. Acreage: 3.5507ha Grant issued by Land Office Raub dated 02/04/2013 Type of Grant: Freehold effective from 21/10/1970. Land Usage: For Oil Palm cultivation</p> <p>Field visit to smallholder show no sign of land disputes. Smallholder provides the land titles, MPOB license and 'buku record ladang'.</p>	Yes
4.3.3	<p>Only freehold land involved in the SPOC C8 Raub. No customary land found during review of titles. The land titles or grants available in the individual file are freehold with the statement 'dipegang selama-lamanya' or 'Geran untuk selama-lamanya'.</p>	Yes

Principle 4: Social Responsibility, health, safety and employment conditions		
Criterion By Audit	Summary of Assessment	Compliance
4.4.1	<p>Sighted SOP "Rekod Aduan dan Rungutan", doc. No: MSPO/SSCC/SOP-01/AR dated 30/03/2018 include Penerimaan aduan dan rungutan and tindakan susulan/ siasatan.</p> <p>Point 2 "tindakan susulan/siasatan" describe the process of handling complaint/grievance. Group manager is the overall in charge to determine the issue and method to resolve. Total days to resolve any complaint or grievance is 14 days.</p> <p>In the situation where the complaint cannot be resolve by the department in 14 days, point 2.8 in the SOP states "jika aduan yang diterima adalah diluar bidang kuasa dan keupayaan oengurus kumpulan, ianya akan dirujuk kepada pihak yang berkaitan bagi tujuan penyelesaian.</p> <p>During on site verification, interviewed with smallholders, there is no case of compliant. Complaint forms and box is available in the MPOB Raub office for smallholders to lodged complaint whenever they need. However smallholders' feedback there is no issue for them to raise any compliant.</p>	Yes
4.4.2	<p>SPOC C8 has established SOP "Garis panduan Keselamatan dan Kesihatan Pekerjaan", date: 30/03/2018. The procedure include work safety for activity such as harvesting, spraying, and manuring.</p> <p>SPOC C8 has established SOP "Prosedur kemalangan, kejadian berbahaya dan keracunna pekerjaan" dated 30/08/2018, that include:</p> <ul style="list-style-type: none"> - Langkah- langkah jika berlaku kemalangan. - Melaporkan kemalangan kepada jabatan keselamatan dan kesihatan pekerjaan (JKKP). <p>Training on safety and health conducted on 11/04/2018.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions		
Criterion By Audit	Summary of Assessment	Compliance
	<p>During on site verification and interviewed smallholders indicate they are aware of safety and health for all operations. Correct PPE wear by smallholders while carrying the job in the field.</p> <p>Example smallholder C8-31 wear PPE of rubber glove, apron and boots while doing chemical spraying activity in the field.</p>	
4.4.3	<p>Briefing conducted on 11/04/2018 include temporary workers.</p> <p>Form for hiring meet minimum wages requirement is established. Form “Terma Penggajian Pekerja” is require to record activities performed and pay rate such as manuring , spraying and harvesting are captured</p> <p>Point 7 of the form describe the hiring process as below:</p> <ol style="list-style-type: none"> 1. Mempunyai permit kerja bagi pekerja asing 2. Tidak sama sekali membernarkan / mengupah orang muda di bawah umur 15 tahun untuk bekerja 3. Tidak sama sekali membernarkan / mengupah orang muda di bawah 15-18 tahun untuk membuat kerja berat dan merbahaya di Kawasan kebun sawit 4. Tidak mengamalkan sikap diskriminasi terhadap agama, kaum, jantina, warna kulit, kewarganegaraan dan politik 5. Pembayaran upah adalah mengikut jenis kerja yang dilakukan seperti yand disyorkan oleh pengurus SPOC 6. Kadar bayaran mestilah dipersetujui oleh pekebun kecil dan pekerja 7. Setiap bayaran yang dilakukan hendaklah direkodkan di dalam buku rekod ladang (BRL) dan ditandatangani oleh pekerja. <p>Sighted record of terma pengajian “Perjanjian membuat kerja-kerja menyelenggara tanaman kelapa sawit di antara” signed between representative son of smallholder C8-23 and local casual workers witness by group manager. The agreement states the monthly payment and is above minimum wage.</p> <p>During site visit interview with smallholders they are aware the rate of hiring the casual worker such as harvesting rate per ton. Interviewed smallholder representative son C8-23 and local casual worker the payment received by worker is as per agreement and is above minimum wage.</p> <p>Site visit and interview indicate there is no discrimination and equal opportunity practice by smallholders.</p> <p>Smallholders’ feedback the service of harvesting and transportation are provided by ramp operator.</p> <p>Further check with the ramp operator, the foreign worker hired by ramp operator to carry out task at smallholders field are paid according to the agreement and is above minimum wages. No signed of child labour during visit to smallholders’ field and ramp operator. Majority of smallholders managed the farms by themselves or support from family. Local casual worker hired by some smallholders have their own living place. Thus, no living quarters required.</p>	Yes

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Principle 4: Social Responsibility, health, safety and employment conditions												
Criterion By Audit	Summary of Assessment	Compliance										
4.4.4	<p>SPOC C8 has established 'Kalender aktiviti program tahunan pensijilan MSPO SPOC C8' approved by group manager. The program 'taklimat dan latihan lapangan' is carried out on 11/4/2018.</p> <p>For example: Title: Taklimat MSPO SPOC C8, Raub/Bentong Dated: 11/04/2018</p> <p>Program include: GAP, MS2530-2:2013, penggredan BTS & kepentingan perlesenan, keperluan akta alam sekitar, keperluan akta keselamatan & kesihatan pekerjaan, keperluan akta hidupan liar.</p> <p>Sighted the attendance list: Dated: 11/04/2018</p> <p>Training programme for year 2019 has been planned.</p> <table border="1"> <thead> <tr> <th>Taklimat</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>LKN – Group 4</td> <td>Jan 19</td> </tr> <tr> <td>LKN Group 5</td> <td>Feb 19</td> </tr> <tr> <td>Taklimat promosi MSPO</td> <td>March 19</td> </tr> <tr> <td>Taklimat promosi KPSM</td> <td>June 19</td> </tr> </tbody> </table> <p>During site visit and interviews with smallholders indicates that the smallholders attended training conducted by MPOB on 11/04/2018 and obtain the knowledge on LKN carried out by pegawai tunas during field visits. Group manager had share the MSPO information with them.</p> <p>Min 2: Training conducted on 11/04/2018 and follow up from Latihan Khidmat Nasihat (LKN) was conducted on 29/10/2018 and 17/07/2018. During the documentation review, it was found that four out of fifty smallholders have not been trained neither in MSPO training nor LKN.</p> <p>OBS 1: Group manager should consider the mechanism to ensure the awareness and effectiveness of their training.</p>	Taklimat	Date	LKN – Group 4	Jan 19	LKN Group 5	Feb 19	Taklimat promosi MSPO	March 19	Taklimat promosi KPSM	June 19	<p>MIN 2 OBS 1</p>
Taklimat	Date											
LKN – Group 4	Jan 19											
LKN Group 5	Feb 19											
Taklimat promosi MSPO	March 19											
Taklimat promosi KPSM	June 19											

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Criterion By Audit	Summary of Assessment	Compliance
4.5.1	<p>Training material evaluated. Slides covered EIA processes and monitoring of palm oil, mitigation measure and legal compliance.</p> <p>SOP "Pengendalian dan Pelupusan Bahan Kimia" dated 30/03/2018 document no MSPO/SSCC/SOP-02/BK is reviewed and describe the below</p> <ol style="list-style-type: none"> 1. Storage of fertilizer 2. Storage of chemical 	<p>Yes</p>

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Principle 5: Environment, natural resources, biodiversity and ecosystem services								
Criterion By Audit	Summary of Assessment	Compliance						
	<p>3. Discharge of chemical (over mix) 4. Discharge of expired chemical.</p> <p>SOP “Pengurusan Bahan Buangan Terjadual” dated 30/03/2018 document no MSPO/SSCC/SOP-03/BT is established to manage scheduled waste.</p> <p>Point 1 of the SOP “Senarai semua jenis bahan buangan seperti bekas racun kosong, beg baja, dan minyak hitam terpakai, yang terhasil daripada operasi yang dijalankan perlu disediakan”.</p> <p>List of the waste is reviewed.</p> <p>During on site visit, smallholders understand and aware of the environment impact. Example: During field visit to smallholder C8-38 could observe the vegetation was retain and no sign of non-permitted chemical is used for spraying activities occur.</p>							
4.5.2	Briefing conducted on 11/04/2018 include topic on renewal energy and energy efficiency such as usage of solar. However, there is no practice observed by smallholder at the time of audit.	Yes						
4.5.3	<p>SOP Pengendalian dan Pelupusan Bahan Kima” dated 30/03/2018 document no MSPO/SSCC/SOP-02/BK is established for source of pollution and waste generated “.</p> <p>List of waste and source of pollution as example below</p> <table border="1" data-bbox="347 1220 1214 1563"> <thead> <tr> <th>Input</th> <th>Sisa yg terhasil</th> <th>kesan</th> </tr> </thead> <tbody> <tr> <td>Racun perosak</td> <td> 1. Tong racun kosong 2. Sisa racun dari bilasan air 3. Kain yang tercemar dengan sisa racun </td> <td> 1. Mencemarkan sumber air semula jadi 2. Mencemarkan kualiti udara 3. Menjadi tempat pembiakan nyamuk </td> </tr> </tbody> </table> <p>The SOP has a section for empty container to determine method used of disposal.</p> <p>During the site review, it was noted that all empty containers were reused after triple rinsing.</p> <p>SOP “Pengurusan Bahan Buangan Terjadual” dated 30/03/2018 document no MSPO/SSCC/SOP-03/BT is established to manage scheduled waste.</p> <p>In the SOP a flow chart title “Carta Aliran Prosedure Pelupusan Bahan Buangan Berjadual” describes as follows:</p> <ol style="list-style-type: none"> Triple rinsing to be done for all empty containers Scheduled waste to be dispose by DOE appointed license collector. <p>Sampled smallholders are aware that empty chemical containers could be reuse or recycle after the triple rinsing. Empty fertilizer bag reuse for rubbish or loose fruit collection. No dispose of the empty container or fertilizer bag found or observed.</p>	Input	Sisa yg terhasil	kesan	Racun perosak	1. Tong racun kosong 2. Sisa racun dari bilasan air 3. Kain yang tercemar dengan sisa racun	1. Mencemarkan sumber air semula jadi 2. Mencemarkan kualiti udara 3. Menjadi tempat pembiakan nyamuk	Yes
Input	Sisa yg terhasil	kesan						
Racun perosak	1. Tong racun kosong 2. Sisa racun dari bilasan air 3. Kain yang tercemar dengan sisa racun	1. Mencemarkan sumber air semula jadi 2. Mencemarkan kualiti udara 3. Menjadi tempat pembiakan nyamuk						

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Principle 5: Environment, natural resources, biodiversity and ecosystem services								
Criterion By Audit	Summary of Assessment	Compliance						
4.5.4	<p>Training on water quality conducted on 11/04/2018 attended by all participants of SPOC.</p> <p>Training slide “Taklimat & Latihan MSPO pekebun kecil SPOC” is reviewed.</p> <p>Training material discuss on the riparian area protection and maintaining riparian area reserve. Good agriculture practices on frond stacking and no blanket spraying in the plantation.</p> <p>SOP “Pengendalian dan Pelupusan Bahan Kima” dated 30/03/2018 document no MSPO/SSCC/SOP-02/BK describe the list which will pollute water source.</p> <table border="1" data-bbox="347 846 1214 1160"> <thead> <tr> <th>Input</th> <th>Sisa yg terhasil</th> <th>kesan</th> </tr> </thead> <tbody> <tr> <td>Racun perosak</td> <td> 1. Tong racun kosong 2. Sisa racun dari bilasan air 3. Kain yang tercemar dengan sisa racun </td> <td> 1. Mencemarkan sumber air semula jadi 2. Mencemarkan kualiti udara 3. Menjadi tempat pembiakan nyamuk </td> </tr> </tbody> </table> <p>During site verification, there is no sign of blanket spraying detected. It is observe there is no smallholder’s field near to river area. During interviewed with smallholders, they are aware on chemical usage when apply at the boundary of buffer zone only and no class 1 chemical is allowed.</p> <p>Smallholders practice water harvesting for chemical spraying purposes and not for consumption.</p>	Input	Sisa yg terhasil	kesan	Racun perosak	1. Tong racun kosong 2. Sisa racun dari bilasan air 3. Kain yang tercemar dengan sisa racun	1. Mencemarkan sumber air semula jadi 2. Mencemarkan kualiti udara 3. Menjadi tempat pembiakan nyamuk	Yes
Input	Sisa yg terhasil	kesan						
Racun perosak	1. Tong racun kosong 2. Sisa racun dari bilasan air 3. Kain yang tercemar dengan sisa racun	1. Mencemarkan sumber air semula jadi 2. Mencemarkan kualiti udara 3. Menjadi tempat pembiakan nyamuk						
4.5.5	<p>Briefing on MSPO dated 11/04/2018 includes Wildlife ACT 716 and type of wildlife around smallholder’s location. List of wildlife is established by smallholders and group manager.</p> <p>Interviews with smallholders demonstrate that they sighted wildlife such as wild boar and snake. Further checked with smallholders indicate that there is no endangered species sighted at their plantation and aware no practice of hunting on wildlife.</p>	Yes						
4.5.6	<p>Guideline describe 4 point as in below</p> <ol style="list-style-type: none"> Pembakaran terbuka adalah dilarang dibawah pembakaran sifar ASEA (1999) dan perintah Kualaiti Alam Sekeliling (Aktiviti Yang Diisytiharkan)(Pembakaran terbuka 2003) Oekebun kecil adalah dilarang untuk melakukan sebarang aktiviti pembakaran terbuka semasa kerja pembukaan ladang/tanam semula Teknik pembakaran sifar semasa kerja pembukaan ladang atau tanam semula pada dasarnya melibatkan penebangan pokok, mencincang bahagian pokok, dan meninggalkan sisa-sisa pokok di antara teres bagi process penguraian secara semula jadi tanpa melibatkan sebarang aktiviti pembakaran 	Yes						

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Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Criterion By Audit	Summary of Assessment	Compliance
	<p>4. Tidak ada pembakaran terbuka apa-apa jenis pada unit operasi, kecuali yang dianggap perlu dengan mematuhi perintah kualiti alam sekeliling (pembakaran terbuka) (2003) dan mendapat kelulusan Jabatan Alam sekitar terlebih dahulu.</p> <p>Point no “Penyediaan Ladang” is reviewed and during land preparation avoid burning.</p>	

Principle 6: Best Practices		
Criterion By Audit	Summary of Assessment	Compliance
4.6.1	<p>Group manager had conduct the training include GAP for SPOC C8 smallholders on 11/04/2018. The LKN and GAP field visiting program carried out after the training. Sighted documents LKN and GAP conducted to ensure the practice of GAP and enhance awareness among smallholders.</p> <p>Example: smallholder C8-42 GAP conducted by group manager on 26/09/2018. Sighted LKN record group manager conducted on 29/10/2018 for smallholder C8-04, C8-21 and C8-08.</p> <p>Field observation found smallholders have implement best practice in the field such as minimize use of chemical for spraying.</p> <p>Field observation that SPOC C8 smallholder field has identification signage displayed. Other smallholders are C8-31 lot 13286 planted in 2016 and C8-25 lot 2224 planted in 2008.</p>	Yes
4.6.2	<p>SPOC C8 Raub has establish general financial plan, budget allocation on 12/02/2018 by HQ MPOB that includes MSPO training, file/document for MSPO, audit fees, PPE for smallholders and cabinet for chemical storage.</p> <p>Sighted SOP for “Garis Panduan Pelan Daya Ekonomi Dan Kewangan” no, MSPO/SSCC/GP-01/PEK dated 30/03/2018 The SOP includes calculation of smallholders yield of fresh fruit bunch (BTS) per ha per year.</p>	Yes
4.6.3	<p>Group manager had communicate with smallholders via telecommunication or WhatsApp on the posting of “Panduan Harga Buah Tanda Segar (BTS) MPOB”</p> <p>Smallholders communicate with ramp operator for FFB price on 20/09/2018 at Guan Kiat ramp the topic discussion as below:</p> <ol style="list-style-type: none"> 1. Penghantaran warta sawit – mengagihkan warta sawit terkini untuk diserahkan kepada pekebun 2. Perbincangan berkaitan harga jualan buah harian dan bulanan – mendapatkan purata harga buah harian dan bulanan 3. Pemantauan hasil BRL pekebun SPOC – mengambil rekod hasil pekebun SPOC untuk rekod 4. Permasalahahn Perkerja ladang 5. Maklum berkaitan MSPO <p>Smallholders are able to know the price when they sells FFB to the ramp operator as the price will be updated and displayed at the ramp daily.</p>	OBS2

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Principle 6: Best Practices		
Criterion By Audit	Summary of Assessment	Compliance
	OBS 2: Verified through ramp operator there are communications with group manager. However, the discussion was not documented. Group manager could consider to produce meeting of minutes when there is communication with the ramp operator.	

Principle 7: Development of new planting		
Criterion By Audit	Summary of Assessment	Compliance
No new planting by the smallholder group. Planting has been carried out 3 to 5 years ago.		

4.3. Status of Non-Conformities Previously Identified

X	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.
	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>	

4.3 Detail of Audit Findings Identified During This Audit

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

AUDIT OUTCOME	
MAJOR Non-Conformities	1
MINOR Non-Conformities	1
Observations	2

Non Conformity Number 01	
Indicator: 4.2.1.1	
The group management shall commit itself to implement and maintain the requirements for traceability.	
Location	SPOC C8 Raub & Bentong
Description of Finding / Objective Evidence:	

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Non Conformity Number 01

Weighbridge ticket and BRL had been reviewed on all sampled smallholder. During site visit it was found that two sampled smallholders are not using own license and FFB sells is mixing with others license owners.

1. Smallholder no.25 have own license but using his wife license during the selling of FFB. When checks on the ramp there is no mechanism to segregate between FFB of smallholder no.25 and his wife. During the weighbridge ticket review, there were no evidence that the volume have been segregated and record were on the wife license.

2. Smallholders no 38 used friend license to sell the FFB to the mill. The FFB will be sold through his friend using the friend license without segregated. Review of weighbridge ticket show there were no evidence to segregate the smallholder no 38 and his friend FFB.

Thus, the volume of FFB sell by smallholder was not traceable.

Classification	<input checked="" type="checkbox"/> Major	<input type="checkbox"/> Minor	<input type="checkbox"/> Observation
Date Raised: 22/11/2018	Deadline for implementation	21/01/2019	

Root Cause Analysis (by company):

Pekebun kecil tidak mengasingkan buah sawit semasa penjualan bts ke ramp dalam satu transaksi penjualan.

Correction (by company):

1. Pengurus kumpulan telah memaklumkan kepada pekebun kecil berkenaan isu penjualan buah sawit pada 23/11/2018. (lampiran 2 dan 3)
2. Rekod pengasingan buah sawit yang dijual diasingkan mengikut bilangan tandan dan juga keluasan tanaman bagi mendapatkan rekod hasil sebenar diwujudkan. (rujuk rampiran 1)

Corrective / Preventive Action (by company)

Sesi perjumpaan bersama pekebun kecil dan juga pusat timbang akan diadakan mengikut jadual yang disediakan (lampiran - Kalendar aktiviti tahunan SPOC C8 Raub 2019)

Review of Correction & Corrective / Preventive Action

Review document lampiran 3 show the group manager has visited and conduct briefing to smallholder no. 25 and no. 38 regarding no mixing of FFB dated 23/11/2018. Group manager provides lampiran 1 in which are BRL and Laporan Hasil dan Kos Sawit that show segregation of FFB of the stated smallholder.

Sighted lampiran Kalendar aktiviti tahunan SPOC C8 Raub 2019 shows the training plan for the year 2019 include topic on FFB segregation and MPOB licensing. Evidence received sufficient to close the finding.

Closed: Yes No Site verification : Yes No

Name of Auditor:
Terence Ang Wai Sheng **Date of Closure:**
11/01/2019

Review of Implementation for Major NC (where applicable)

Closed: Yes No

Name of Lead Auditor / Auditor: **Date of Closure:**

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Non Conformity Number 02			
Indicator: 4.4.4.1 Independent smallholders are encouraged to seek knowledge to increase their competency in oil palm management.			
Location	SPOC C8 Raub & Bentong		
Description of Finding / Objective Evidence:			
Training conducted on 11/04/2018 and follow up from Latihan Khidmat Nasihat (LKN) was conducted on 29/10/2018 and 17/07/2018. During the documentation review, it was found that four out of fifty smallholders have not been trained neither in MSPO training nor LKN.			
Classification	<input type="checkbox"/> Major	<input checked="" type="checkbox"/> Minor	<input type="checkbox"/> Observation
Date Raised: 22/11/2018	Deadline for implementation	21/11/2019	
Root Cause Analysis (by company):			
Maklumat yang dinyatakan pada lawatan khidmat nasihat tidak jelas.			
Correction (by company):			
Dilampirkan Salinan lawatan khidmat nasihat yang lengkap bagi 4 peserta. (Lampiran 3)			
Corrective / Preventive Action (by company)			
Pengurus kumpulan memberikan maklumat nasihat/ tindakan pengesyoran kepada pekebun kecil dan dinyatakan dalam setiap laporan yang disediakan berpandukan skop kerja yang ditetapkan. (lampiran - Kalendar aktiviti tahunan SPOC C8 Raub 2019)			
Review of Correction & Corrective / Preventive Action			
Sighted training program 'Kalendar Aktiviti Program Tahunan Pensijilan MSPO SPOC C8' for 2019 submitted. Further verification will be conduct in next surveillance audit.			
Closed: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Site verification : <input type="checkbox"/> Yes <input type="checkbox"/> No	
Name of Lead Auditor: Sheron Pui Ling Wui		Date of Closure: Next surveillance audit	
Review of Implementation for Major NC (where applicable)			
Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No			
Name of Lead Auditor / Auditor:		Date of Closure:	

Observation 1	
Indicator: 4.4.4.1 Independent smallholders are encouraged to seek knowledge to increase their competency in oil palm management.	
Location	SPOC C8 Raub & Bentong
Description of Finding / Objective Evidence:	
Group manager should consider the mechanism to ensure the awareness and effectiveness of their training.	
Review of Correction & Corrective / Preventive Action	

MSPO Certification Summary Report

Company Name: MPOB Cawangan Raub
 Certifying Unit: SPOC C8 (Raub & Bentong)
 Client Number: 92-051
 Audit Type: Stage 2 – Certification Audit



Observation 1	
Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Site verification : <input type="checkbox"/> Yes <input type="checkbox"/> No	
Name of Auditor: Ariff Bin Lokman	

Observation 2	
Indicator: 4.6.3.1	
Independent smallholders are encouraged to communicate with and have consultations with dealers, millers, local communities and other affected or interested parties.	
Location	SPOC C8 Raub & Bentong
Description of Finding / Objective Evidence:	
Verified through ramp operator there are communication with group manager However, the discussion was not documented. Group manager could consider to produce meeting of minutes when there is communication with the ramp operator.	
Review of Correction & Corrective / Preventive Action	
Closed: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Site verification : <input type="checkbox"/> Yes <input type="checkbox"/> No	
Name of Auditor: Ariff Bin Lokman	

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5. CONCLUSION

Malaysia Palm Oil Board, Cawangan Raub has commissioned TÜV NORD (Malaysia) Sdn Bhd to carry out the certification for the Sustainable Palm Oil Cluster (SPOC) consisting of 50 independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

The 1 Major NC raised in this was closed out successfully. Furthermore, Minor NC action plan submitted. Minor NC and Observations raised in this audit will be verified in the next surveillance audit.

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

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

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

Total certified number of independent smallholders:	50	
Total certified acreage of smallholders:	130.5706	Ha
Certified FFBS output August to October 2018:	629.86	mt
Certified FFBS output November 2018 to December 2019:	814.60	mt

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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 were interviews, observations, sampling of activities and review of documentation and records.

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

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

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

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

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

Puchong, 23/01/2019

Sheron Pui Ling Wui
TUV NORD (Malaysia) Sdn Bhd
Audit Team Leader

Puchong, 23/01/2019

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

MSPO Certification Summary Report

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7. REFERENCES

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

No.	Name	Organization / Function
1	Ahmad Sabri B. Mohammad Mokhtar	Rubber Industry Smallholder Development Authority (RISDA)
2	Ahmad Fadhly Noram	Pertubuhan Peladang Kawasan (PPK) Raub
3	Uma Shankar. P	Raub Oil Mill Sdn Bhd.
4	Muhammad Ariff	Jabatan Kemajuan Orang Asli (JAKOA) Raub

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

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

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

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

Salvo clause:

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

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

Annex / Enclosures

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