

MSPO CERTIFICATION SUMMARY REPORT

MPOB -SPOC J28 SRI GADING 2

SURVEILLANCE 01

Date: 16-18/03/2020

TUV NORD (Malaysia) Sdn Bhd No. 9F-1A, 9th Floor, Tower 2 @ PFCC Jalan Puteri ½, Bandar Puteri Puchong 47100 Puchong, Selangor. Phone: +603 8600 4031/4032

Fax: +603 8600 4550

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



Table of Contents

1.	INTRODUCTION	4
1.1.	Objective	4
1.2.	Scope	4
1.3.	Appointment & Qualification of Audit Team Members	4
2.	METHODOLOGY	9
3.	ORGANISATION INFORMATION	13
4.	CERTIFICATION ASSESSMENT	16
4.1.	Surveillance Audit 01	16
4.2.	Stakeholders' Consultation	16
4.3.	Summary of Assessment	18
4.4.	Status of Non-Conformities Previously Identified	25
4.5.	Detail of Audit Findings in last Audit	25
4.6.	Detail of Audit Findings Identified During This Audit	26
5.	CONCLUSION	31
6.	RECOMMENDATION	32
7.	LIST OF INTERVIWEES	33
Anne	x / Enclosures	34

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 PracticesGPS Global Positioning SystemHBV 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

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



1. INTRODUCTION

MPOB has commissioned TÜV NORD (Malaysia) Sdn Bhd to conduct surveillance audit for its independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

1.1. Objective

The objective of this audit is to assess the MPOB Cawangan SPOC J28 Sri Gading 2 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 J28 Sri Gading 2.

1.2. Scope

The certification is based on the documentation established by MPOB Cawangan SPOC J28 Sri Gading 2 in managing the independent smallholders' scheme.

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

The documents and information are reviewed against the requirements and criteria mentioned below. TÜV NORD has employed a risk-based approach in the verification, focusing on the identification of significant risks and reliability of the monitoring and reporting.

The assessment is carried out on the basis of the MS 2530-2:2013: Part 2: General principles for independent smallholders.

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

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

1.3. Appointment & Qualification of Audit Team Members

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

Lead Auditor in Training: Mohd Nur Amin Bin Mohd Halim

Requirement	Qualifications
Post-secondary education, college or university diploma / degree in one of the following	Graduate in Office Management & Technology.
1. Agriculture;	
Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,);	
3. Engineering, Process Technology;	

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Requirement	Qualifications
4. Energy Management, Quality Management;	
5. Social Sciences and/or Anthropology;	
6. Business Management; or	
7. 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)	6 years 10 months of working experience in both upstream & downstream division on managing sustainability of oil palm industry.
Successfully completed MS 2530 series of standards training	Successfully completed MS2530 series of standards training
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) mandays under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.	Qualified as auditor for MSPO scheme.
A good knowledge in handling and evaluating sources of information and data. Able to communicate in Bahasa Malaysia, English and / or any other local language.	Able to communicate in Bahasa Malaysia and English.
Field working experience in the palm oil sector, or demonstrable equivalent	6 years 10 months of working experience in managing sustainability for oil palm industry for both upstream and downstream division.
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	6 years 10 months of working experience in managing sustainability for oil palm industry for both upstream and downstream division.
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or Occupational, Health & Safety Assurance System	Successfully completed IMS ISO 9001, 14001, 45001 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 IMS ISO 9001, 14001, 45001 LA course training attended.
Good Milling Practices for example palm oil milling working experience or demonstrate equivalent.	Qualified and appointed as auditor for MSPO scheme.

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



Qualification of Team Members

Requirement	As	sessor		Qualification	Compliance
Post-secondary education, college or university diploma / degree in one of the following	Cheong Robert	Chun	Yuen,	Graduate in Business Administration.	Yes
Agriculture;	Khairul Ismail	Anwar	Bin	Graduate In Agricultural Science	Yes
2. Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,);					
3. Engineering, Process Technology;					
Energy Management, Quality Management;					
Social Sciences and/or Anthropology;					
6. Business Management; or					
7. Other relevant related fields					
At least five (5) years of work experience in the oil palm sector or related field in consultancy /	Cheong Robert	Chun	Yuen,	Senior auditor for RSPO, MSPO, ISCC and Carbon Credits	Yes
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)	Khairul Ismail	Anwar	Bin	5 years working experience in oil palm plantations.	Yes
Successfully completed MS 2530 series of standards training	Cheong Robert	Chun	Yuen,	Successfully completed MS2530 series of standards training.	Yes
	Khairul Ismail	Anwar	Bin	Successfully completed MS2530 series of standards training.	Yes
Conducted a minimum six (6) on- site audits for a total of at least 20 man-days of audit experience as an	Cheong Robert	Chun	Yuen,	Senior auditor for RSPO, MSPO, ISCC and Carbon Credits	Yes
auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes.	Khairul Ismail	Anwar	Bin	Qualified as auditor for MSPO scheme.	Yes
A good knowledge in handling and evaluating sources of information and data. Able to communicate in	Cheong Robert	Chun	Yuen,	Able to communicate in Bahasa Malaysia, Mandarin and English.	Yes

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Requirement	As	ssessor		Qualification	Compliance
Bahasa Malaysia, English and / or any other local language.	Khairul Ismail	Anwar	Bin	Able to communicate in Bahasa Malaysia and English.	Yes
Field working experience in the palm oil sector, or demonstrable equivalent	Cheong Robert	Chun	Yuen,	Senior auditor for RSPO, MSPO, ISCC and Carbon Credits	Yes
	Khairul Ismail	Anwar	Bin	5 years working experience in oil palm plantations.	Yes
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use	Cheong Robert	Chun	Yuen,	Senior auditor for RSPO, MSPO, ISCC and Carbon Credits	Yes
	Khairul Ismail	Anwar	Bin	5 years working experience in oil palm plantations.	Yes
Health and safety auditing on the farm and in processing facilities, for example ISO 45001 or	Cheong Robert	Chun	Yuen,	Senior auditor for RSPO, MSPO, ISCC and Carbon Credits	Yes
Occupational, Health & Safety Assurance System	Khairul Ismail	Anwar	Bin	Successfully completed IMS ISO 9001, 14001, 45001 Lead Auditor course	Yes
Worker welfare issues and social auditing experience, for example with SA8000 or related social or others.	Cheong Robert	Chun	Yuen,	Successfully completed Basic SA 8000 & GRI 4 training	Yes
ethical accountability codes				Senior auditor for RSPO, MSPO, ISCC and Carbon Credits	
	Khairul Ismail	Anwar	Bin	Successfully completed Basic SA 8000 training. Qualified as auditor for MSPO scheme.	Yes
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001	Cheong Robert	Chun	Yuen,	Senior auditor for RSPO, MSPO, ISCC and Carbon Credits.	Yes
or Environmental Management Systems (EMS) or High Conservation Value (HCV)				Successfully completed ISO 14001 LA course	
				Successfully completed HCV Training.	
	Khairul Ismail	Anwar	Bin	Successfully completed IMS ISO 9001, 14001, 45001 Lead auditor course	Yes

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Requirement	Assessor		Qualification		Compliance	
				and auditor for scheme.	MSPO	
Good Milling Practices for example palm oil milling working experience or demonstrate equivalent.	Cheong Robert	Chun	Yuen,	Senior audit RSPO, MSPO and Carbon Ci), ISCC	Yes
	Khairul Ismail	Anwar	Bin	Successfully completed SCCS course.	MSPO	Yes

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



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
- Certifying, final approval and issuance of certificate.

Surveillance Audit 01:

Surveillance audit is conducted on 16/03/2020 to 17/03/2020 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 smallholders is conducted according to the MS 2530-2:2013 Part 2 for Independent Smallholders.

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



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

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

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

The group of smallholders consists of 531 members.

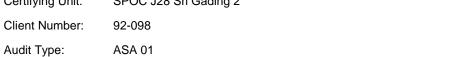
Based on the formula, the sample size for old members with $S = 1.5\sqrt{510} = 34$. The sample size for new members with $S = 1.5\sqrt{21} = 7$. Therefore, the total of smallholders 34 + 7 round up to the next integral of 42. Thus, a total of 42 smallholders selected for the onsite assessment and inspection listed in Table 2-1 below:

Table 2-1: List of Sampled Independent Smallholders

Name of independent smallholders	Specific Address / site
Kasnan Bin Dahlan	No. 5, Jalan Tasek 4, Taman Tasek 2, Batu Pahat, Johor
Md Ramlan Sawiyo	Kampung Parit Nipah Tengah, Batu Pahat, Johor
Siti Maisarah Sanusi	Pos 20, KG. PT. HJ. Salleh Roos, Batu Pahat, Johor
Hendon Sanusi	No. 10, Jalan Cahaya Indah, KG. Paya, Batu Pahat, Johor
Sharifah Abdul Rahman	No. 88, Jalan Azam 15, Taman Sri Lambak, 86000 Kluang, Johor.
Mohd Sah Hamdan	No. 7 LOT 689 Jalan Warisan Peserai, 83000 Batu Pahat, Johor.
Noorlela Bundawan	No. 110, Parit Daun Laut, Batu Pahat, Johor.
Masrom Kasiran	No. 40, Parit Tengah, 86400 Parit Raja, Johor.
Mohd Nizam Masrom	No. 40, Kampung Parit Raja Mukim 8, 86400 Parit Raja, Johor.
Ter Poh Hwa	No. 1 Jalan Waja, 4 Taman Waja Parit Raja, Batu Pahat, Johor
Toh Chee Hong	No. 10, Jalan Pisang, Taman Maju, Batu Pahat, Johor
Toh Chee How	No. 10, Jalan Pisang, Taman Maju, Batu Pahat, Johor
Nor Saharani Saherin	Kg. Parit Bingan, Batu Pahat, Johor
Mohd Rizal Saherin	No. 95, Kg. Parit Bingan, Batu Pahat, Johor

Company Name: Malaysian Palm Oil Board SPOC J28 Sri Gading 2 Certifying Unit:

Client Number:





Name of independent smallholders	Specific Address / site
Chew Ann Yuei	No. 45, Jalan Zapin, Taman Kemajuan 83000 Batu Pahat, Johor
Toh Chee Yong	No. 14, Jalan Manis 3, Taman Manis, Batu Pahat, Johor
Zaleha Timin	Kampung Parit Haji Abdul Hamid, Batu Pahat, Johor.
Pungot Timin	100, Jalan Yakin 14, Taman Sri Lambak, Batu Pahat, Johor
Adenan Badri	No. 47, KG. PT. HJ. Abdul Hamid, Batu Pahat, Johor
Tay Yow Chai	NO. 24, Jalan Pelangi 10, Taman Pelangi, Batu Pahat, Johor
Tan Kok Keong	No. 3A, Jalan Rona Biru 1, Taman Rona Biru, 86400 Parit Raja, Johor.
Khishamudin Ismail	No. 75, Jalan Cekal 5, Taman Sri Lambak, Parit Lapis Semerang, Batu Pahat, Johor
Siti A'lwiah Ismail	Unit Rancangan Pembangunan 1, Johor Bahru, Suite 3, Aras 3, Bangunan Ang, Taman Tasek
Noorifah Ramlan @ Rohan	No. 2, Jalan Ros, Kampung Istana, 83000 Batu Pahat, Johor
Tan Kim Ko	Parit Sikon, MK 8, 86400 Parit Raja, Johor.
Koh Geok Bee	No. 19, Jalan Kaloi, Taman Ayer Hitam 86100, Ayer Hitam, Johor
Ong Kow Kim	No. 19, Jalan Kaloi, Taman Ayer Hitam 86100, Ayer Hitam, Johor
Noreha Othman	Quarters Klinik Desa, Permatang Duku, 82200 Benut, Pontian, Johor.
Pusparina Dayat	No. 31, Jalan, Ros, Taman Suria, 86100 Ayer Hitam, Johor
Mohd Adib Ramzi	No. 18 A, Kampung Kangkar 86100 Ayer Hitam, Johor
Mohamad Yatim Paimin	No. 7 Lot 689 Jalan Warisan Peserai, 83000 Batu Pahat, Johor
Rafidah Mohd Sahil	Batu 8 1/2, Kampung Parit Kassan, 86100 Ayer Hitam, Johor
Wahidah Ismail	No. 4, Jalan Perdana 7, Taman Perdana, 86100 Ayer Hitam, Johor
Wong Ah Moi	Batu 4, Jalan Ayer Hitam-Kluang, Sri Gading, Batu Pahat, Johor
Teng Ting Chin	Batu 4, Jalan Ayer Hitam-Kluang, Sri Gading, Batu Pahat, Johor

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



Name of independent smallholders	Specific Address / site
Tuki Kusor	Parit Nipah, Sri Gading, Batu Pahat, Johor
Mohammad Khalid Sanusi	Kampung Parit Hj. Salleh Ros, Batu 11, Jalan Kluang, 86400 Parit Raja, Johor
Toh Ah Tee	Lot 3110, Parit Sikun, Sri Gading, Batu Pahat, Johor
Teo Beng Kun	Lot 456, Parit Haji Kadir, Sri Gading, Batu Pahat, Johor
Tao Kai Tong	Lot 6968, Parit Haji Ali, Sri Gading, Batu Pahat, Johor
Wong Siau Hak	PTD 3268 Bt. 4 Jalan Ayer Hitam-Kluang, Sri Gading, Batu Pahat, Johor
Ramlah Binti Hamim	9398, PT Lapis Sri Dalam, Sri Gading, Batu Pahat, Johor

Non-conformance:

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

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

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01

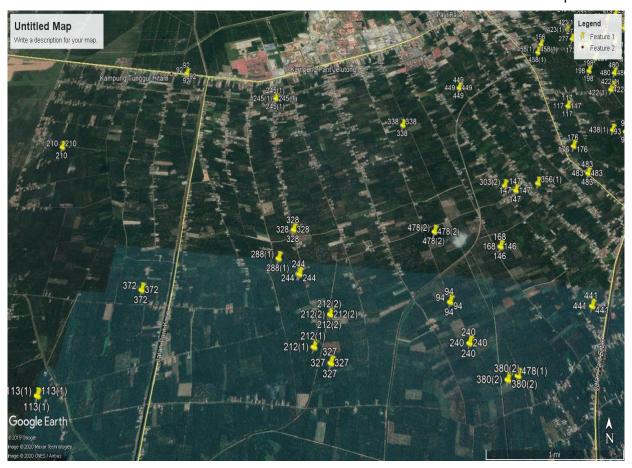


3. ORGANISATION INFORMATION

MPOB Cawangan SPOC J28 Sri Gading 2 is a branch of MPOB located at No. 11A, Jalan Susur Intan, Taman Intan, 86400 Parit Raja, Batu Pahat, Johor (N 1.685°, E 103.1328°).

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

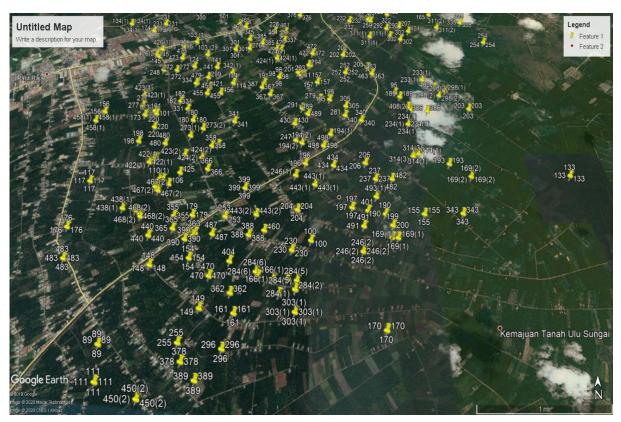
The locations for the smallholders are in Batu Pahat district as shown in the below maps.



Map number 1

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J28 Sri Gading 2





Map number 2

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J28 Sri Gading 2





Map number 3

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



4. CERTIFICATION ASSESSMENT

4.1. Surveillance Audit 01

The objective of the audit is to assess the activities of MPOB Cawangan SPOC J28 Sri Gading 2 compliance with MS 2530-2: 2013 Part 2: General principles for independent smallholders' requirements.

4.1.1. Surveillance Audit 01:

There are 21 smallholders joined the certification during surveillance audit.

The total number of smallholders 531 remain the same during surveillance audit.

During this surveillance audit, 21 of smallholders join the program.

The surveillance audit is conducted on 16/03/2020 to 17/03/2020 that include inspection of the smallholders farms, farms boundary, interviews, conduct stakeholders' consultation and review of the findings raised in the last audit.

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

The details of assessment of the indicators are at the summary of assessment in this report.

During the onsite the following were verified.

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

During the Certification Stage II and special audit, there 01 Minor or 04 OFI raised.

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

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

The number of audit findings raised in this audit refer to Section 4.6 of this audit report.

4.2. Stakeholders' Consultation

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 10/02/2020 as to accommodate stakeholder's consultation meeting for MPOB Cawangan SPOC J28 Sri Gading 2 to provide comments. As at audit date on 16/03/2020 there are no comments received.

Invitation letters are sent on 10/02/2020 to invite relevant stakeholders to attend a local stakeholders' consultation on 16/03/2020 to gather information from the local communities in accordance to §7, 3.2 of the Certification Procedure requirements.

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



The topics of discussion are as below:

- a. Introduction of objectives of MSPO standard certification for smallholders.
- b. Development of smallholders farms in area;
- c. Wildlife management area and impact to the smallholders;
- d. Environmental issues on the impact of river contamination;
- e. Type of wildlife around area;
- f. Support from processing palm oil mills at area/

There are no issues raised during the stakeholders' consultation that need to be addressed by the SPOC management office.

It can be concluded the relevant Principles and Criteria clauses of the applied standard are in compliance.

The List of Stakeholders who attended the meeting refer to table 7.1.

Item	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Any information from Group Manager [thereafter known as GM] as regards to MSPO audit?	Stakeholders are aware regarding the MSPO awareness which is able to demonstrate in term of social, environment and safety & health	No action required
2	Social issues	Stakeholders attend the meeting informed there are no social issues related to SPOC J28 Sri Gading 2.	No action required
3	Understanding of Land Title – Native Customer Land, Freehold, Leased (Grant), Land application (LA)	There is no NCR land involved. All of smallholders owned leases land titles.	No action required
4	Economy / Livelihood Is there any impact on livelihood after the introduction of MSPO?	There is no impact to livelihood after the introduction of MSPO.	No action required
5	Does MSPO largely benefits the local community?	Interviewed stakeholders are not local communities. Therefore, no input of this topic.	No action required
6	Understanding of environmental.	Interviewed stakeholders are not local communities. Therefore, no input of this topic.	No action required
7	Awareness towards species, habitats, and	Interviewed stakeholders are not local communities.	No action required

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



	high conservation values?	Therefore, no input of this topic.	
8	FFB quality	Interviewed stakeholders are not local communities. Therefore, no input of this topic.	No action required
9	Are there any plantation or mill management practices that affect you?	Interviewed stakeholders are not local communities. Therefore, no input of this topic.	No action required
10	Do you consider any management is in conflict with the MSPO principles and criteria?	Stakeholders informed there is no conflict in between SPOC J28 Sri Gading 2 group management and MSPO requirement.	No action required
11	Do you have any suggestions for management?	Interviewed stakeholders are not local communities. Therefore, no input of this topic.	No action required

4.3. Summary of Assessment

Principle and Criteria Assessment Summary

The assessment team conduct a thorough assessment of each principle and criteria. Over the 5 years' period of the certificate cycle, there will be 4 annual surveillance audits all criterions will be assessed. Evidences are sought for conformity with the MSPO 2530-2. The summary of the assessment is as below, where the "Findings/Comments" column reflects the findings in accordance with each criteria and indicator or evidences and when non conformity is found. Summary of the non-conformity can be found below

Principle 1	Principle 1: Management Commitment & responsibility					
Indicator	Summary of Assessment	Compliance				
4.1.1.1	SPOC J28 established MSPO policy dated March 2019 signed by Group Manager and display at SPOC office notice board.	Yes				
	SPOC J28 adopted MPOB MSPO certification application with the MSPO policy included in the form duly agreed and signed by stallholder and acknowledged by SPOC GM.					
	Copy of application form available in stallholder file signed on 11/08/2019 and acknowledged by SPOC GM on 20/08/2019					
4.1.2.1	SPOC J28 Sri Gading 2 established continual improvement plan, Senarai Impak Social, Persekitaran & Pelan Tindakan. Document no: MSPO/SSCC/L-04/ISP, issue no 2, rev 2 date effective: 10/07/2019	Yes				
	The table include topic on activity, social impact and improvement plan					
4.1.2.2	SPOC J28 Sri Gading 2 distribute Warta Sawit to smallholders during MSPO and PPE usage briefing on 30/01/2020.	Yes				
	Those who did not attended the briefing will receive a copy during LKN (GAP) visit.					

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	During interview with smallholders, they obtained new information from group manager and received the Warta Sawit when attend training.	

Principle 2	Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance	
4.2.1.1	SPOC J28 Sri Gading 2 established Guidelines for Economic and Financial Power Plans "Garis Panduan Pelan Daya Ekonomi dan Kewangan, doc no MSPO/SSCC/GP-01/PEK, issue no: 2 rev: 1 dated10/07/2019.	Yes	
	The guideline has a flow chart describing the step approach for delivery of FFB to ramp operator / collection center or mill with the type of documents.		
	1. Sales receipt		
	2. Weighbridge ticket		
	3. Enter to BRL		
	4. Keep Receipt		
	5. SPOC will collect records and prepare summary		
	The previous internal audit conducted on 05/03/2019 has no finding raised on traceability.		
4.2.1.2	SPOC J28 Sri Gading 2 maintain records of FFB production and sales of each smallholder.	Yes	
	Review sales records kept by SPOC GM consist of summary of deliveries and sales invoice from dealer or ramp operator to smallholder.		
	SPOC J28 Sri Gading 2 monitor FFB pricing on monthly basis obtain from dealer and ram operators.		
	Interview smallholders inform FFB sales and delivery records available and kept copy.		

Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	SPOC J28 Sri Gading 2 establish list of applicable legal documents Document no. MSPO/SSCC/L-02/LLR issue 2 rev. 2 effective date 10/07/2019	Yes
	Example:	
	Act 127: Environmental Quality Act 1974 update year 2006	
	Smallholders are brief during MSPO awareness conducted on 30/01/2020.	
	Copy of MPOB license kept on file in each smallholder and in the database.	

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Principle 3: Compliance to legal requirements		
Indicator	Summary of Assessment	Compliance
4.3.2.1	SPOC J28 Sri Gading 2 smallholders land titles are either freehold or lease title of 99 years issued by Land Office Batu Pahat	Yes
	Land Use: Oil Palm or Rubber or Orchard or Coconut or Agriculture	
	SPOC GM has submitted letters to MPOB HQ for conversion of 257 lots of land titles dated 14/03/2019, 10/11/2019 and 08/03/2020 and in process for submission to Johor State Land Survey Office.	
4.3.3.1	SPOC J28 Sri Gading 2 smallholders land titles are either freehold or lease title of 99 years issued by Land Office Batu Pahat.	Yes
	Land title in the name of smallholder	
4.3.3.2	Map in land title indicate size, location and boundary marker.	Yes

Principle 4	4: Social Responsibility, health, safety and employment conditions	
Indicator	Summary of Assessment	Compliance
4.4.1.1	SPOC J28 Sri Gading 2 adopted MPOB guidelines 'Aduan dan Rungutan', doc no. MSPO/SSCC/SOP/01/AR, issue 02, revision 01 dated 10/07/2019.	Yes
	Smallholders are brief during MSPO awareness programme conducted on 30/01/2020.	
	There are no complaints received as at audit date.	
	Records book review there are no complaints since certification audit in July 2019.	
	Briefing of SOP complaint and grievance conducted on 30/01/2020 to the smallholders.	
	Interviewed smallholders confirm on awareness of grievance procedure and are briefed during training conducted on 30/01/2020.	
4.4.1.2	SPOC J28 Sri Gading 2 adopted MPOB guidelines 'Aduan dan Rungutan', doc no. MSPO/SSCC/SOP/01/AR, issue 02, revision 01 dated 10/07/2019.	Yes
	The procedure has a table listing the activities to resolve any complaints.	
	The group manager is the responsible person to handle and manage any complaints.	
	A flowchart describe the steps and timeline to manage and respond any complaint received.	
	The total days to resolve is 14.	
	Any complaint outside the scope of the GM it will refer to other parties or MPOB HQ to handle the matter.	
	Smallholders are brief during MSPO awareness programme conducted on 30/01/2020.	
	Interviewed smallholders inform they are aware on complaint process and timelines to resolve the complaints.	

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Principle 4	4: Social Responsibility, health, safety and employment conditions	
Indicator	Summary of Assessment	Compliance
4.4.2.1	SPOC J28 Sri Gading 2 adopt MPOB Guidelines "Garis Panduan Keselamatan dan Kesihatan Pekerjaan, document no. MSPO/SSCC/GP-02/KKP, issue: 2, revision: 0 effective date: 10/07/2019.	Yes
	Scope of the guideline describe:	
	Responsibilities of the GM and smallholders / workers.	
	Safety work practices for harvesting, chemical spraying and fertilizer application.	
	Smallholders are brief during MSPO awareness programme conducted on 30/01/2020.	
	Interview smallholders inform they are aware on safety measuring. They would use appropriate PPEs based on type of operations such as harvesting, spraying or fertilizing	
4.4.3.1	SPOC J28 Sri Gading 2 adopted Syarat Mengupah Pekerja (Employment Terms) document no: MSPO/SSCC/SMP-01, rev-01 for hiring of field workers by smallholders.	Yes
	The document describe the requirements for hiring of workers.	
	SPOC J28 Sri Gading 2 adopt document Terma Perjanjian Pekerja (Employment Agreement) MSPO/SSCC/TPP-01 for hiring or workers.	
	Interview smallholders are aware prior commencement of work, a mutual verbal agreement on the price rate are established.	
	Majority of smallholders' operate on family based or subcontract to FFB dealer for harvesting, chemical spraying and fertilizing activities.	
4.4.3.2	SPOC J28 Sri Gading 2 MSPO application form include a statement of "provide equal opportunity and treatment regardless of race, colour, sex, religion, political affiliation, nationality, social origin and shall not engage in or support discriminatory practices."	Yes
	In addition, SPOC J28 established "Syarat Mengupah Pekerja Di Kebun Sawit document no. MSPO/SSCC/SMP-01 signed by GM and Zone Manager with a statement "provide equal opportunity and treatment regardless of race, colour, sex, religion, political affiliation, nationality, social origin and shall not engage in or support discriminatory practices.	
	Smallholders are brief on hiring casual workers during MSPO awareness programme conducted on 30/01/2020	
	Interviewed smallholders inform they are aware about the policy on discrimination.	
4.4.3.3	Interviewed smallholders inform they hire casual workers and pay based on mutual agreement between smallholders and casual workers.	Yes
4.4.3.4	There are no living quarters observed during onsite visits to smallholders.	Yes
4.4.3.5	SPOC J28 Sri Gading 2 established "Syarat Mengupah Pekerja Di Kebun Sawit document no. MSPO/SSCC/SMP-01 signed by GM and Zone Manager with a statement "No hiring or allow children below age of 15 years to work in the farm.	Yes

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Principle -	4: Social Responsibility, health, safety and employment conditions	
Indicator	Summary of Assessment	Compliance
	Smallholders are brief on restriction on hiring children below age of 15 years to work as casual workers during MSPO awareness programme conducted on 30/01/2020	
	Interviewed smallholders inform no children allowed towork in the field. All harvesting, fertilizing and spraying activity are carried out either by smallholders, among family members or hiring dealers' workers.	
4.4.4.1	SPOC J28 Sri Gading 2 establish annual training programme for 2020	No
	Minor Non-conformity 01:	
	The established training plan does not include:	
	The completion date of the training conducted	
	2. Date for other programme	
	Specific topics on GAP such as peatland, water management, under planting and waste disposal.	
i	4. Briefing to casual or contract labour on chemical spraying.	

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	SPOC J28 Sri Gading 2 adopt MPOB Social and Environment Impacts and Action Plan, document number MSPO/SCCS/L-04/ISP, issue 2, revision: 2 effective date 10/07/2019.	Yes
	The document include a section for Environmental Impact and Action Plan.	
	Interviewed smallholders inform they understand the impact of environment and briefed during LKN conducted by SPOC J28 Group Manager.	
	Smallholders are aware on environmental impacts on chemical activities fields. Therefore, they does selective spraying, proper drainage and conserved grass area during spraying chemicals.	
4.5.2.1	SPOC J28 Sri Gading 2 smallholders do no use renewable energy on site.	Yes
4.5.3.1	SPOC J28 Sri Gading 2 adopt MPOB List of Scheduled and Domestic Wastes Doc. No. MSPO/SSCC/L-03/SRD Issue 2 rev 0 effective date 10/07/2019.	Yes
	The list consists of:	
	Waste generated from agricultural inputs:	
	Waste generated is not from agricultural inputs:	
	During site visit and interview, smallholders are aware that empty chemical containers can be recycle and reused after triple rinsing. Smallholders reused empty fertilizer bag for loose fruit collection.	

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Principle 5	5: Environment, natural resources, biodiversity and ecosystem service	es
Indicator	Summary of Assessment	Compliance
4.5.3.2	SPOC J28 Sri Gading 2 adopted MPOB SOP Pengurusan Bahan Buangan Terjadual', doc no: MSPO/SSCC/SOP-03/BT issue 2 revision 2 effective date 10/07/2019.	Yes
	The SOP objective 'Memantau dan memastikan proses pengurusan dan perlupusan bahan buangan terjadual bagi individual yang bertanggungjawab dapat dilaksanakan dengan teratur, cekap dan Selamat.	
	A flowchart describing the steps in managing and disposal of scheduled wastes.	
	Smallholders are briefed on handling and disposal of used empty chemical containers during MSPO awareness programme on 30/01/2020.	
	A copy of MPOB Model Latihan for MSPO Independent Smallholders is distributed to participants.	
	Smallholders practice with triple rinse the empty chemical containers and reused for chemical spraying.	
	During site visit, no chemical containers left inside fields.	
	Chemical spraying conducted by smallholders, dealers' workers or casual workers hired by smallholders.	
	Interview smallholders inform all chemical containers are stored at chemical cabinets	
4.5.4.1	SPOC J28 Sri Gading 2 adopt MPOB guidelines 'Garis Panduan Zon Penampan Sungai', doc no: MSPO/SSCC/GP-03/ZPS, issue 2, revision 0 dated 10/07/2019.	No
	Major Non-conformity 01	
	During onsite visit to audited smallholders, blanket chemical spraying are observed and confirmed through the interviews.	
4.5.4.2	SPOC J28 Sri Gading 2 smallholders practice rain harvesting for operation and chemical mixing usage using pits and culvert.	Yes
4.5.5.1	SPOC J28 Sri Gading 2 establish list of wildlife in and around Batu Pahat district.	Yes
	Example:	
	Monkey, Wild boar	
	Smallholders are briefed during MSPO programme conducted on 30/01/2020.	
	Interview smallholders informed there are monkeys and wild boar in in their field	
4.5.6.1	SPOC J28 Sri Gading 2 adopted MPOB Guidelines Garis Panduan Amalan Pembakaran Sifar doc. No. MSPO/SSCC/GP-04/APS, issue 2 rev. o, effective date 10/07/2019	Yes
	Smallholders are briefed during MSPO programme on 30/01/2020.	

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
	Field visit observe no open burning occur and smallholders are aware that open burning is restricted by the law.	

Principle 6: Best Practices		
Indicator	Summary of Assessment	Compliance
4.6.1.1	SPOC J28 Sri Gading 2 conduct GAP briefing and LKN for harvesting, manuring, chemical application and PPE usage.	No
	Minor Non-conformity 02	
	During field interviews, it was found smallholders lack in understanding on GAP for managing of peatland, under planting, loose fruits collection and control of VOPs & weeds.	
	The MSPO manual did not include guidelines for under planting and poisoning of old palms in under planting situation	
4.6.1.2	SPOC J28 Sri Gading 2 establish visual identification for each smallholder with information of name, lot no. GPS coordinates lot size and year of planting.	Yes
4.6.2.1	SPOC J28 Sri Gading 2 establish Guideline, Garis Panduan Pelan Daya Ekonomi Dan Kewangan" no, MSPO/SSCC/GP-01/PEK, issue 2, revision 1, dated 10/07/2019.	Yes
	SPOC J28 establish budget for training and distribution of PPEs and chemical cabinets as and when required based on the work programme.	
	All other operation budgets and costs are under the control of MPOB HQ.	
4.6.3.1	SPOC J28 Sri Gading 2 monitors FFB pricing on monthly basis through input from selected ramp / dealers for fair price.	Yes
	Interview with smallholders informed the FFB price is display at the FFB collection centre.	

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



Principle 7: Development of new planting		
Indicator	Summary of Assessment	Compliance
4.7.1.1	SPOC J28 Sri Gading 2 smallholders database is review with 1 st planting in 1986 and latest planting in year 2018.	Yes
	No replanting or new planting.	
	Therefore, no data captured	
4.7.2.1	SPOC J28 Sri Gading 2 smallholders database is review with 1 st planting in 1986 and latest planting in year 2018.	Yes
	No replanting or new planting.	
	Therefore, no soil type available.	
4.7.3.1	SPOC J28 Sri Gading 2 smallholders database is review with 1 st planting in 1986 and latest planting in year 2018.	Yes
	No replanting or new planting.	
	Therefore, no data for type of terrain available.	

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.					
Х	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.					

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.

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

4.5. Detail of Audit Findings in last Audit

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

Non Conformity Number < 1 >						
Indicator # and Description:	4.5.4.1 Independent smallholders can demonstrate that they understand the need to maintain the quality and availability of surface and ground water and steps are being taken for its implementation.					
(MINOR)						
Location:	Location: SPOC J28 Sri Gading 2					
Description of Finding / Objective Evidence:						

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



Non Conformity Number < 1 >					
Observation on field reveal 6 out of 10 smallholders practise blanket spraying in their field. These shall decrease the water contain in the soil surface.					
Classificat	ion Major				
Raise by:	Mohamad Norhisham Bin Mohd Salleh		Date Raise:	18/04/2019	
Deadline fo	or implementation		17/05/2019		
Root Caus	e Analysis (<i>by company</i>):				
Smallholde	rs are not understand the important of ma	aintai	ning soft grass i	in the field.	
Correction	(by company):				
	ager SPOC J28 Sri Gading 2 have providing a providing a soft grass in the			dvice to smallholders in	
Corrective	/ Preventive Action (by company)				
	ager have been conducted training to smoractices. Refer attachment 1.	allho	lder in regard of	f weed control and	
Review of Correction & Corrective / Preventive Action					
Group Manager have provided the evidence of training conducted to smallholder by provides the training material and picture of implementation. The evidence has provided in attachment 1 is sufficient to close the NC. Further verification will be conducted in the next surveillance audit.					
Closed:	Yes 🗌 No	Site	verification : [☐ Yes 🛛 No	
Name of Lo	ead Auditor / Auditor:	Dat	e of Closure:		
Ariff Bin Lo	Ariff Bin Lokman 21/05/2019				
Review of Implementation					
During onsite visit to audited smallholders, blanket chemical spraying are observed and confirmed through interviews.					
Since this a repeat, the NC is upgraded to a major non-compliance.					
Name of Lo	ead Auditor (Trainee):	Date of Review:			
Mohd Nur Amin Bin Mohd Halim 18/03/2020					

4.6. Detail of Audit Findings Identified During This Audit

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

AUDIT OUTCOME						
During this audit, 1 MAJOR Non-Conformities						
	2	MINOR Non-Conformities				

Non Conformity Number < 1 >						
Indicator # and Description	4.5.4.1 Independent smallholders can demonstrate that they understand the need to maintain the quality and availability of surface and ground water and steps are being taken for its implementation.					
	(MAJOR)					

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Non Conformity Number < 1 >					
Location: Smallholders Farms					
Description of Fir	nding / Objective Evidence:				
During onsite visit to audited smallholders, blanket chemical spraying are observed and confirmed through the interviews.					
Since this is a repe	eat, the NC is upgraded to a major	non	-compliance		
Classification			Minor		
Raise by: Mohd	Nur Amin Bin Mohd Halim		Date Raise:	18/03/2020	
Deadline for impl	ementation		17/05/2020		
Root Cause Analy	ysis (<i>by company</i>):				
Smallholders lack	understanding the importance of r	naint	aining soft gras	s in their fields.	
Correction (by co	ompany):				
	y visit carried out to all smallho ass in the field as accordance with				
Corrective / Preve	entive Action (by company)				
Briefings of weed control and the practice of agronomy of oil palm cultivation are given to smallholders. The activities of the advisory visit were carried out in 03/06/2020 until 10/6/2020, smallholders were also provided with notes on weed control and weed management.					
Review of Correction & Corrective / Preventive Action					
Review documents submitted, the group manager has visited and conducted individual advisory visit (LKN) to smallholders on blanket chemical spraying in fields from 03/06/2020 until 10/06/2020. Smallholders are brief on Good Agricultural Practices (GAP) on chemical spraying in fields.					
Group Manager provide the Annual Activities Calendar for 2020 and Individual Advisory Visit Schedule for 2020 to ensure smallholders are aware on Good Agricultural Practices on chemical spraying. The evidence provided is sufficient to close the NC. Further verification will be conducted in the next surveillance audit.					
Closed: ☑ Yes ☐ No Site verification : ☐ Yes ☒ No					
Name of Trainee Lead Auditor: Date of Closure:					
Mohd Nur Amin Bin Mohd Halim 16/06/2020					
Review of Implem	nentation				
Name of Lead Au	ditor / Auditor:	Date	e of Review:		
		1			

	Non Conformity Number < 2 >							
Indicator # and Description 4.4.4.1: Independent smallholders are encouraged to seek knowledge to increase their competency in oil palm management.								
	(MINOR)							
Location:	Office							

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Non Conformity Number	Non Conformity Number < 2 >				
Description of Finding / Objective Evidence:					
The established training plan does not include:					
The completion date of the training conducted					
2. Date for other programme					
3. Specific topics on GAP such as peatland, water mana	agement, under planting and guidelines.				
4. Briefing to casual or contract labour on chemical spra	ying.				
Classification					
Raise by: Cheong, Chun Yuen (Robert)	Date Raise: 17/03/2020				
Deadline for implementation	16/04/2020				
Root Cause Analysis (by company):					
Smallholders are not aware on MSPO interests and good activities.	d agricultural practices in their cultivation				
Correction (by company):					
Individual advisory visit carried out to brief on the im recommended by MPOB.	nportance of good agricultural practices				
Corrective / Preventive Action (by company)					
To carry out advisory visit and provided training services to on planning through the 2020 Activity calendar.	o all smallholders under SPOC J28 based				
Review of Correction & Corrective / Preventive Action					
The corrective action plan is reviewed and sufficient to clo	se the NC.				
Further verification of implementation in the next audit.					
Closed: ☑ Yes ☐ No Site verification : ☐ Yes ☑ No					
Name of Auditor: Date of Closure:					
Cheong, Chun Yuen (Robert) 16/06/2020					
Review of Implementation					
Name of Lead Auditor / Auditor: Date of Review:					

	Non Conformity Number < 3 >					
Indicator # and Description 4.6.1.1: All independent smallholders oil palm farms shall implement bessuch as the MPOB Codes of Practice, Malaysian Standards, ISO Start the Kod Amalan Baik (GAP) Pekebun Kecil.						
Location:	(MINOR) Location: Smallholders Farm					
Description of Finding / Objective Evidence:						

Company Name: Malaysian Palm Oil Board
Certifying Unit: SPOC J28 Sri Gading 2



Non Conformity Number < 3 >						
During field interviews, it was found smallholders lack in understanding on GAP for managing of peatland, under planting, loose fruits collection and control of VOPs & weeds.						
The MSPO m		I did not include guidelines for un	der p	planting and	d pois	soning of old palms in under
Classification	n	☐ Major		⊠ Mi	nor	
Raise by:	Mohd	Nur Amin Bin Mohd Halim		Date Raise: 18/03/2020		
Deadline for	imple	ementation		17/04/2020	00	
Root Cause	Analy	rsis (<i>by company</i>):				
		t understand about GAP for marol of VOPs & weeds.	nagir	ng of peatla	and,	under planting, loose fruits
Correction (k	by co	mpany):				
		ual advisory visit carried out to en actices (GAP) and management				
Corrective / I	Preve	entive Action (by company)				
Briefing on weed control and agronomy oil palm cultivation practices were given to all smallholders during individual advisory visit.						
To provide training and individual advisory visit to the emphasis of good agricultural agriculture to maintain soft grass and the emphasis on the loose fruits collection with providing them by given notes to all smallholders.						
Review of Correction & Corrective / Preventive Action						
The action pla	an sul	omitted will be sufficient to close t	he N	C.		
Review of imp	oleme	ntation will be conducted in the n	ext s	urveillance	audit	
Closed: X	es [No	Site	verificatio	n : [] Yes ⊠ No
Name of Trai	inee L	_ead Auditor:	Date	e of Closur	e:	
Mohd Nur Am	nin Bir	n Mohd Halim	16/0	6/2020		
Review of Im	plem	entation				
Name of Lead Auditor / Auditor: Date of Review:						

Nr.	Indicator	Description	Location	Opportunity for Improvement
1.	4.1.2.1	The action plan for continual improvement shall be based on the consideration for the main social and environmental impact and opportunities of the independent smallholder's group, such as SPOC. Independent	Office	The monitoring of the action plan could be improve for Impak Sosial dan Persekitaran during Lawatan Khidmat Nasihat.

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2



Nr.	Indicator	Description	Location	Opportunity for Improvement
141.	mulcator	smallholders shall be aware of the need to understand the importance of continuous improvement. (MAJOR)	Location	Opportunity for improvement
2	4.3.2.1	Independent smallholders shall demonstrate rights to their landholdings and there is no evidence of major land disputes.	Office	SPOC J28 management could imporve on the monitoring of land use conversion.
3	4.4.1.1	Independent smallholders shall be able to respond to complaints that are raised by their neighbours or other stakeholders.	Office	The guideline Aduan dan Rungutan could be improve in capturing of compliants raised by neighbours or other stakeholders to smallholders.
4	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.	Office	SPOC J28 GM could consider improve the monitoring of contract labour for disposal of used chemical containers.
5.	4.7.2.1	Independent smallholders should obtain information on soil types, topography and their suitability for oil palm plantings from the relevant government agency. New planting plans should be prepared in consultation with extension service officers	Office	The establish MSPO application form could be improved to describe the soill types.

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



5. CONCLUSION

Malaysia Palm Oil Board has commissioned TÜV NORD (Malaysia) Sdn Bhd to carry out the certification for SPOC J28 Sri Gading 2consisting of 531 independent smallholders according to MS 2530-2:2013 Part 2, General Principles for Independent Smallholders.

There is one (1) Major NC raised in this audit and closed out successfully. There are two (2) Minor NCs raised with action plan submitted and accepted. Futhermore Minor NCs raised in this audit will be verify 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 TUV NORD (Malaysia) with sufficient evidence on the fulfilment of the applied standard Principles & Criteria.

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

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

Total certified number of independent smallholders: 531

Total certified acreage of smallholders: 850.10 Ha

Certified FFBs output January to December 2019: 8,015.73 Mt

Projected FFBs output January to December 2020: 11,841.54 mt

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



6. RECOMMENDATION

The audit team conducted a process-based audit focussing on significant aspects / risks and objectives required by the standard(s). The audit methods used are interviews, observations, sampling of activities, review of documentation and records.

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

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

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

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

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

Puchong, 22/07/2020

Mohd Nur Amin Bin Mohd Halim

TUV NORD (Malaysia) Sdn Bhd

Audit Trainee Team Leader

Puchong, 22/07/2020

Nur Amanina Zahir

TUV NORD (Malaysia) Sdn Bhd

Certifier / Approver

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



7. LIST OF INTERVIWEES

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

No.	Name	Organization / Function
1.	Nurul Atiqah Binti Ismail	Solidaridad Network / NGO
2.	Nurul Amira Binti Abd Razak	Bintang Ratna Sawit / FFB Dealer

Company Name: Malaysian Palm Oil Board

Certifying Unit: SPOC J28 Sri Gading 2

Client Number: 92-098
Audit Type: ASA 01



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					