



Assessment Report	13 Nov - 13 Nov
	2018

[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the Malaysian Sustainable Palm Oil (MSPO) MS 2530-2:2013 General Principles For Independent Smallholder and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas or processes may not be able to verified on its compliances. ]

## MSPO

Company Name	Felcra Berhad - Kilang Kelapa Sawit Maran
Address	Simpang Jengka, Jalan Maran Peti Surat 69, 26500 Maran Pahang.
Report No.	
Status of Audit	Audit stage 1

## Section A General Information

General	
Standard Assessed	MSPO MS 2530-4:2013
Audit objectives	To verify the document established to met the requirement of the standard and ready for the stage 2 assessment
Integrate Assessment	No

Contact Details	
Management Representative	Nursyuhada Bt Abd Lah
Alternate contacts	En Azahar Bin Ali
Management Representative contact no.	019-2255294
E-mail address	nursyuhadaabdlah@gmail.com
Fax Number	09-4777829
Phone Number	09-4777830

Scope of Certification	
Scope of certification in English	Production of Fresh Fruits Bunch
Applicable clause of the MS 2530-2:2013	Clause 4.1, 4.2, 4.3, 4.4, 4.5, 4.6
Changes from Previous registration	No
Extension/changes of scope date	NA

System Documentation Information	
Quality Manual Document Identification	NA
Last Management System revision date	NA
Previous Management System date	NA
Management Review Date	Not ye done will be verified during 2 <sup>nd</sup> stage audit.
Internal audit Date	Not ye done will be verified during 2 <sup>nd</sup> stage audit.

## Section B Audit Note

### Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY
Opening Meeting and Closing Meeting	<p>Opening Meeting</p> <ul style="list-style-type: none"> <li>a) introduction of the participants, including an outline of their roles;</li> <li>b) confirmation of the scope of certification;</li> <li>c) confirmation of the audit plan (including type and scope of audit, objectives and criteria), any changes, and other relevant arrangements with the client, such as the date and time for the closing meeting, interim meetings between the audit team and the client's management;</li> <li>d) confirmation of formal communication channels between the audit team and the client;</li> <li>e) confirmation that the resources and facilities needed by the audit team are available;</li> <li>f) confirmation of matters relating to confidentiality;</li> <li>g) confirmation of relevant work safety, emergency and security procedures for the audit team;</li> <li>h) confirmation of the availability, roles and identities of any guides and observers;</li> <li>i) the method of reporting, including any grading of audit findings;</li> <li>j) information about the conditions under which the audit may be premature terminated;</li> <li>k) confirmation that the audit team leader and audit team representing the certification body is responsible for the audit and shall be in control of executing the audit plan including audit activities and audit trails;</li> <li>l) confirmation of the status of findings of the previous review or audit, if applicable;</li> <li>m) methods and procedures to be used to conduct the audit based on sampling;</li> <li>n) confirmation of the language to be used during the audit;</li> <li>o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns;</li> <li>p) opportunity for the client to ask questions.</li> </ul> <p>Closing Meeting</p> <ul style="list-style-type: none"> <li>a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty</li> </ul>

	<ul style="list-style-type: none"> <li>b) the method and timeframe of reporting, including any grading of audit findings;</li> <li>c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification;</li> <li>d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit;</li> <li>e) the certification body's post audit activities;</li> <li>f) information about the complaint handling and appeal processes.</li> <li>g) Any diverging opinion that are not resolved.</li> <li>h) opportunity for the client to ask questions.</li> </ul>
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System requirements	Y / N	Document reference if select "Y" or comments if select "N"
<b>4.1 Management Commitment &amp; Responsibility</b>		
4.1.1 MSPO Policy	<b>YES</b>	<p>4.1.1.1 Verified the policy regarding MSPO were stated inside MSPO Policy date on 22/05/2018- sign by Ketua Pegawai Eksekutif Felcra Berhad .Sighted there is 4 other policy etc.</p> <ul style="list-style-type: none"> <li>i.Environmental and Biodiversity Policy</li> <li>ii.Occupational Safety and Health POLICY</li> <li>iii.Social Policy</li> <li>iv.Policy Of Prevention Of Sexual Interruption and Violence in Workplace</li> </ul> <p>A written policy statement on the commitment towards sustainable of production of palm oil. This policy shall be communicate to all level of workforce and stakeholders .Verified Minit Mesyuarat Ketua Bahagian Kilang Sawit Felcra dated 31/07/2018. Verified that there is an awareness Program on MSPO Policy conducted on 25/07/2018 and 26/07/2018</p> <p>Interview of personnel and stakeholders whether they are aware of MSPO policy will be verified during stage 2</p> <p>4.1.1.2 Sighted the continual improvement aspect were stated inside the MSPO policy</p>
4.1.2 Internal Audit	<b>YES</b>	<p>4.1.2.1 Internal audit memo were dated 18/9/2018 and internal audit were conducted on 10-11/10/2018</p> <p>4.1.2.2 Internal audit procedure FB-MSPO-01-Internal Audit Procedure dated 1/8/2018</p> <p>4.1.2.3 Internal audit were conducted on 10-11/10/2018.Sighted no internal audit report that show the result of 7 NCR and 11 OFI.However no hard copy sighted on summary of Internal Audit Report .</p>
4.1.3 Management Review	<b>YES</b>	<p>4.1.3 Management review dated 25/10/2018</p> <p>Content of discussion os as below</p> <ul style="list-style-type: none"> <li>i.Status of internal audit findings</li> <li>ii.OSH plan</li> <li>iii.Schedule waste management plan</li> <li>iv.Environmental plan</li> </ul>

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		v.Water management plan vi.Social Management pIN vii.Continual Improvement Plan.
4.1.4 Continual Improvement	<b>YES</b>	4.1.4 Continual improvement plan Sighted Permohonan untuk menukar liner sterilizer no 1 (PMT 94827) -To ensure the safety of operator working at machine sterilizere no 1 -To prevent any defect to sterilizer body -To prevent any disturbance to mill operation and to make sure no long term damage. Will be verified during 2nd stage.
<b>4.2 Transparency</b>		
4.2.1 Transparency of information and documents relevant to MSPO requirement	<b>YES</b>	4.2.1.1 The document related on MSPO can be seen at notice board -eg MSPO Policy .Sighted also the requirement of MSPO brief date 25-26/07/2018 and verified the attendance of the meeting in SIA MSPO 2018 MEMO/SURAT MAKLUM BALAS. Others information will be verified during 2nd stage.
4.2.2 Transparent method of communication and consultation	<b>YES</b>	4.2.1.2 The transparency method of communication had been brief during policy briefing dated 25-26/07/2018 .Include employee and relevant stakeholders and supplier. Will be verified during 2nd stage audit  4.2.2.1 Sighted procedure and verified document :Pengurusan dan Komunikasi Pihak Berkepentingan dated 1/8/2018. Complaint form avaialable at the office and procedure have been well brief to all employee .The company has establish File Pengurusa Sosial -Aduan dan Cadangan.The record and complain is avaialble however there are no complaint revceived . Will be verified during 2nd stage.  4.2.2.2 Sighted nomination of responsiblee person to handle of consultation for stakeholder issues is Mr Mohd Khairool Hafizie Bin Ramli dated 1/8/2018.  4.2.2.3 List of Stakeholder - list of stakeholder of mills consist of wakil pekerja,wakil komuniti setempat,government agencies ,contractor and supplier .-total 57
4.2.3 Traceability	<b>YES</b>	4.2.3.1 The traceability procedure Doc No :FB-MSPO-SOP01 establish dated on 1/8/2018 Verified that there is the document for traceability activity delivery of CPO as per mention in MILL SOP 1.Pas masuk hantaran dan terimaan minyak Sawit (CPO)

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		ii.DO delivery CPO iii.Collection order from buyer iv. WB ticket v.Borang MPOB L3 vi.Pas Ambil CPO-Verification of Seal ,will be verified by security.  The price of the FFB are determined through MPOB website .  Verified that Mrs Wan Sariah binti Shaari was appointed as Person in Charge of Traceability in Felcra Palm Oil Mill Maran dated 1/8/2018.  Sighted the above information will key in the Lyntra Max Mill Directory System .
<b>4.3 Compliance to legal requirements</b>		
4.3.1 Regulatory requirements	<b>YES</b>	4.2.3.1 The traceability procedure Doc No :FB-MSPO-SOP01 establish dated on 1/8/2018 Verified that there is the document for traceability activity delivery of CPO as per mention in MILL SOP 1.Pas masuk hantaran dan terimaan minyak Sawit (CPO) ii.DO delivery CPO iii.Collection order from buyer iv. WB ticket v.Borang MPOB L3 vi.Pas Ambil CPO-Verification of Seal ,will be verified by security.  The price of the FFB are determined through MPOB website .  Verified that Mrs Wan Sariah binti Shaari was appointed as Person in Charge of Traceability in Felcra Palm Oil Mill Maran dated 1/8/2018.  Sighted the above information will key in the Lyntra Max Mill Directory System .
4.3.2 Land use rights	<b>YES</b>	4.3.2.1 The land Grant is available Verified that Borang 11AK (Jadual Keempat Belas) and in the grant clearly stated that the land 67ha are used for Industry only .and the land are clearly stated that ownership by Felcra Berhad . The land are registered on 16/09/1993  4.3.2.2 Verified during 2nd stage  4.3.2.3 Verified during 2nd stage  4.3.3.4 Verified during 2nd stage
4.3.3 Customary rights	<b>YES</b>	4.3.3.1 No customary land -Not applicable  4.3.3.2 No official map  4.3.3.3 No land dispute issue
<b>4.4 Social responsibility, health, safety and employment condition</b>		

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
4.4.1 Social impact assessment (SIA)	<b>YES</b>	4.4.1.1 Sighted that, that SIA assessment dated on 25&26 July 2018. will be verified during stage 2.
4.4.2 Complaints and grievances	<b>YES</b>	<p>4.4.2.1 SOP report and greivance is available. FB-MSPO-P05 date on 1 Aug 2018. The detail in "Pengurusan dan komunikasi pihak Berkepentingan".</p> <p>4.2.2.2- will be verified during stage 2 audit</p> <p>4.2.2.3 - Complain form is located at post guard and the copy was distribute to all staffs and workers.</p> <p>4.4.2.4 - The procedure of complaint had been mention duing Mesyuarat ketua bahagian kilang sawit FELCRA Bhd Maran.The meeting was conducted on 31 July 2018.</p> <p>4.4.2.5 - all complaint made by filling the complaint form and being recorded in "Rekod Daftar Aduan". Sighted there is no complaint recorded.</p>
4.4.3 Commitment to contribute to local sustainable development	<b>YES</b>	4.4.3.1 CSR Record. Corporate social responsibility record is available. The record is available for the year 2017 and 2018. Total 12 CSR activity was recorded.
4.4.4 Employees safety and health	<b>YES</b>	<p>4.4.4.1 Occupational Safety and Health Policy is available and being verified by Datuk Zulkarnain Bin Md Eusope. The policy is available in malay and english.</p> <p>4.4.4.2</p> <p>a) No evidance breifing on safety and health was made to the worker. (NC).</p> <p>b) As sighted, HIRARC is available. HIRARC has cover overall operation including office work, Lab Work, Boiler,despatch and etc. HIRARC document was prepared by Mis Nursyhada and verified by Mr Hajarul Aswad. CHRA is available dated on 16<sup>th</sup> March 2016.</p> <p>c) Training on Chemical safety training by Professional IT Academic Sdn Bhd on 1 and 2 OCT 2018 total participant is 1 staff. In 2017 14 staff was attend the chemical training conducted by OCCUMED CONSULTANY &amp; SERVICES SDN. BHD.</p> <p>1) Chemical compitancy certificate is available.</p> <p>2) The SDS for lab, lubricant store and water treatment are available. However several SDS is expired. (NC)</p> <p>3) as sigted, the PPE record is available and well mainained.</p> <p>4) as sighted, the procedure " Pengurusan Keselamatan Bahan Kima" FB-MSPO-P10 dated on 1 Sept 2018.</p> <p>5) As sighted, the OSH Committee was developed. Mr Hajarul Aswad was appointed as chairmen and 15 committee was appointed. The appointing letter is available.</p> <p>6) OSH meeting minute is available and the latest meeting minute is on 4 Sept 2018.</p> <p>verified incident accident procedure "pengurusan insiden industri" FB-MSPO-PO8 dated on 9 Nov 2018. Record of accident is available for 2018.</p>

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		7) as sighted, first aider competency is available 8) JKPP 6 and JKPP 8 is available.
4.4.5 Employment conditions	<b>YES</b>	4.4.5.1 - Social policy is available varified by Datuk Zulkarnain Bin Md. Eusope.  4.4.5.2 - Will verified in stage 2  4.4.5.3 - offer letter for employee- will verified in stage 2 audit.  4.4.5.4 contractor payment slip is available  4.4.5.5 - staff and worker attandance record is available.  4.4.5.6 - contract agreement worer is available.  4.4.5.9 - salary slip is available and follow according perintah gaji minimum RM1000.  4.4.5.10 - overtime record is availabe and well maintained.  4.4.5.11 - will be verified in stage 2  4.4.5.12 - will be verified in stage 2  4.4.5.13 - statement can join union is available in the policy.  4.4.5.14 - Lis of worker is available complete with age, IC no and position.
4.4.6 Training and competency	<b>YES</b>	4.4.6.1 as sighted, record of training is available for 2018. 4.4.6.2 - training need analylis is available. 4.4.6.3 - Training program for 2018 is available. Example of training are; environmental training and safety and health training.
<b>4.5 Environment, natural resources, biodiversity and ecosystem services</b>		
4.5.1 Environmental management plan	<b>YES</b>	4.5.1.1 - environmental policy is available and verified By Datuk Zulkarnain Bin Md Eusope on 22 May 2018.  4.5.1.1 - Environmental aspect impact is available dated on 1 Aug 2018.  4.5.1.3 as sighted, the environmental managment plan FB-MSPO-SOP06/F1 is availabel prepared by Nursyuhada and verified by Mr Hajarul Aswad dated on 1 Aug 2018.  4.5.1.4 will be verified in stage 2 audit  4.5.1.5 - Awareness training program is available.  4.5.1.6 - lates environment meeting was conducted on 31 July 2018 that attended by 14 workers and staff.
4.5.2 Efficiency of energy use and use of renewable energy	<b>YES</b>	4.5.2.1 - record of diesel usage is available for 2018. The report shows the usage of diesel untill sept 2018 is 91,051 litre while the budget for diesel is 30,000 litre. Diesel record for contractor is not available. (NC)

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		<p>4.5.2.2 As sighted the summary of diesel and electricity is available for mill usage.</p> <p>4.5.2.3 - palm fiber and shell are used for boiler.</p>
4.5.3 Waste management and disposal	<b>YES</b>	<p>4.5.3.1 - inventory of schedule waste is recorded in fifth schedule (Regulation 11) E-swis lates update on 1 OCT 2018. sighted SW 305 and SW 401.</p> <p>4.5.3.2 - The waste management plan is available sighted FB-MSPO-SOP06/F1 dated on 1 Aug 2018.</p> <p>4.5.3.4 Domestic waste is managed by the mill management. The waste is disposed at the mill land fill.</p>
4.5.4 Reduction of pollution and emission	<b>YES</b>	<p>4.5.4.1 - Refer to waste management plan, the mitigation will be verified in 2<sup>nd</sup> stage audit.</p> <p>4.5.4.2 - Refer to waste management plan, the mitigation will be verified in 2<sup>nd</sup> stage audit.</p> <p>4.5.4.3 - Valid DOE licence "Jadual Pematuhan" for period 1 July 2018 until 30 Jun 2019 is available. POME lab test result is available. Latest Lab test is on 4 Sept 2018, the test made by Felda Agricultural Services Sdn Bhd.</p>
4.5.5 Natural water resource	<b>YES</b>	<p>4.5.5.1 - Water management plan is available. This plan was prepared by Ms Nursyuhada and verified by Mr Hajarul Aswad.</p> <p>4.5.5.2 - The mitigation will be verified on audit stage 2.</p>
<b>4.6 Best Practices</b>		
4.6.1 Mill management	<b>YES</b>	<p>4.6.1.1 As per Standard Operation Procedure For Palm Oil Mill with total 20 SOPs for all activities.</p> <p>4.6.1.2 - as sighted the best practice SOP's list on sec 2 SOP lestari. SOP lectari include, keboleh jejukan, pengurusan dan komunikasi pihak berkepentingan, latihan, pengendalian bahan buangan terjadual, pengurusan pencegahan gangguan seksual di tempat kerja and pengurusan pelan tindakan.</p>
4.6.2 Economic and financial viability plan	<b>YES</b>	<p>4.6.2.1 As per Budget Overall Year 2018 and 2019 for capital expenditure ,general charges , mill processing cost ,machinery maintenance and upkeep</p>
4.6.3 Transparent and fair price dealing	<b>YES</b>	<p>4.6.3.1 As per MPOB CPO price- sighted it were fairly transperent that the contractor agreed to the priceas mention in the FELCRA BERHAD Sales Confirmation .Vefiried that there is contract no ,saying that the contractor agreed with the price of CPO.(SELLER COPY)</p> <p>4.6.3.2 Verified that there is a PnL File to documented palm oil mill account.</p>
4.6.4 Contractor	<b>YES</b>	<p>4.6.4.1 According to the auditee the breifing on the requirement on MSPO will be conducted on 25-26/7/2018 (PENGENALAN MSPO 2018 KONTRAKTOR DAN PIHAK BERKEPENTINGAN) - will be verified during 2nd stage.</p>



System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		4.6.4.2 Verified during the 2nd Stage Verified that in File 10 the contractor agreed with the MSPO standard.

### Observation for Improvement

Auditor	Observation
EBM	<p>4.1.2.2 Internal audit report is not documented</p> <p>4.3.1.1 - Clause (42) Syarat-syarat lesen permis mintyak kelapa sawit mentah jadual pematuhan no lesen 004157 state that noise monitoring report shall submitted to DOE, however there is no report done by the mill management.</p> <p>4.3.1.1 as sighted, "Akta Timbang Dan Sukat" is not in the list of 27 related legal which need to comply by the mill.</p> <p>4.4.4.2 a) No evidence briefing on safety and health was made to the worker. The SDS for lab, lubricant store and water treatment are available. However several SDS is expired.</p> <p>4.5.2.1 - record of diesel usage is available for 2018. However, diesel usage record for contractor is not available</p>

During the assessment 0 nonconformities were identified. (refer to attachment)

## Section C Conclusion

### Document Review Conclusion

- The documentation is acceptable and complete, there is no finding/issue at this time and progress has been established towards next stage of audit/MAV.*
- The documentation is generally acceptable, however there are a numbers of finding/issued which the company needs to address before proceeding to stage 2/MAV.*

*(Please proceed to follow up section)*

Note : The assessment was based on random samples and therefore nonconformities may exist which have not been identified. All the pages should be attached if the organization wishes to copy and delivered to the interested party

Number of Employees (covered by scope of registration) **95**

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Ermadasila Bin Mohamad	Nursyuhada Binti Abd Lah	Eksekutif Alam Sekitar
Team member	Mohd Fahmi Bin Mohd Fauzi	Penolong Pengurus
	Azhar Bin Ali	MSPO HQ FELCRA
Trainee auditor		

NIL		
Observer		
NIL		

Company Information if different from above

Invoicing address if different from above	Same as above
Alternate contact (if applicable)	Same as above

**Acknowledge receipt of this report:**

	Signed for on behalf of CCI	Signed for on behalf of the client
Signed		
Name	Ermadasila Bin Mohamaf	Cik Nursyuhada Binti Abd Lah
Date	13/11/2018	13/11/2018
E-mail	ermadasila@gmail.com	
Fax No	03-8073 2688	

**FOLLOW - UP:**

**Area of Concern status:**

No	Description
1	
	Auditor comment
	Status
2	
	Auditor comment
	Status
3	
	Auditor comment
	Status

**Stage 1 audit conclusion:**

Corrective action completed, site is now ready for stage 2 audit.

Signatory of auditor	
Date	