



Assessment Report	24 <sup>th</sup> July - 24 <sup>th</sup> July
	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	SMALLHOLDER PALM OIL CLUSTER (Asam Kumbang, Batu Kurau, Jebong, Kamunting, Larut Matang, Pengkalan Aor, Simpang, Tupai) A15
Address	Pejabat MPOB Cawangan Taiping, No. 31A, Tingkat 1, Susur Ampang, 34700 Simpang, Taiping, Perak.
Report No.	MS18FM0011
Status of Audit	First Assessment Audit (Document Review)

## Section A General Information

General	
Standard Assessed	MSP0 MS 2530-2:2013
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	Mohd Nazi Jami'in
Alternate contacts	Siti Lapisah Bt Muhammad
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Scope of Certification	
Scope of certification in English	Production of MSP0 certified FFB
Applicable clause of the MS 2530-2:2013	Clause 4.1, 4.2, 4.3, 4.4, 4.5, 4.6 and 4.7
Changes from Previous registration	No
Extension/changes of scope date	NA

System Documentation Information	
Quality Manual Document Identification	Manual Prosedur Kerja - Pensijilan Minyak Sawit Mampan (MSP0) Bagi Pekebun Kecil Persendirian
Last Management System revision date	30/3/2018
Previous Management System date	-
Management Review Date	NA
Internal audit Date	12 <sup>th</sup> July 2018

## Section B Audit Note

### Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY
Opening Meeting and Closing Meeting	Opening Meeting a) introduction of the participants, including an outline of their roles; b) confirmation of the scope of certification; 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; d) confirmation of formal communication channels between the audit team and the client; e) confirmation that the resources and facilities needed by the audit team are available; f) confirmation of matters relating to confidentiality; g) confirmation of relevant work safety, emergency and security procedures for the audit team; h) confirmation of the availability, roles and identities of any guides and observers; i) the method of reporting, including any grading of audit findings; j) information about the conditions under which the audit may be premature terminated; 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; l) confirmation of the status of findings of the previous review or audit, if applicable; m) methods and procedures to be used to conduct the audit based on sampling; n) confirmation of the language to be used during the audit; o) confirmation that, during the audit, the client will be kept informed of audit progress and any

	<p>concerns;</p> <p>p) opportunity for the client to ask questions.</p> <p><b>Closing Meeting</b></p> <p>a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty</p> <p>b) the method and timeframe of reporting, including any grading of audit findings;</p> <p>c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification;</p> <p>d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit;</p> <p>e) the certification body's post audit activities;</p> <p>f) information about the complaint handling and appeal processes.</p> <p>g) Any diverging opinion that are not resolved.</p> <p>h) opportunity for the client to ask questions.</p>
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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	Y	As per MSPO Policy - Document No. MSPO/SSCC/POLISI-01. Dated 21/01/2018 Approved by Pegawai Tunas Kawasan, En. Mohd Nazi Jama'in.
4.1.2 Continual Improvement	Y	<p>Found Program/Kursus for year 2018 for North Zone. The training program inclusive SPOC participant under Pejabat MPOB Cawangan (SPOC A17, A15, A11). The training planned such Taklimat MSPO, Kursus Sehari Sawit, Program Sehari Bersama Ahli Kelab 30MT, Pertunjukan Kaedah (PPE, Membaja, Meracun), Audit 1st phase.</p> <p>Verified the training programme dated 11 July 2018. The detail of the training programme (Taklimat MSPO) below;</p> <ol style="list-style-type: none"> <li>1. Amalan Pertanian Baik (GAP)-Pegawai TUNAS</li> <li>2. Prinsip Am Pekebun Kecil-Pegawai MSPO MPOB</li> <li>3. Taklimat Alam Sekitar-Pegawai Jab. Alam Sekitar</li> <li>4. Taklimat Keselamatan &amp; Kesihatan Pekerjaan-Pegawai JKPP</li> </ol> <p>Five times MPOB conducted the MSPO briefing to their smallholders, sighted the attendance list, dated 11/07/2018, 07/07/2018, 15/05/2018, 03/04/2018, 22/01/2018.</p> <p>As per Program Lawatan LKN/ GAP SPOC A15 Larut Matang (Asam Kumbang, Batu Kurau, Jebong, Kamunting, Matang, Pengkalan Aor, Simpang, Tupai) for year 2018, the program included plan for 50 participants in Jan - Oct 2018.</p> <p>Internal Audit was conducted in 12/07/2018 at SPOC 15, Pejabat MPOB Taiping, Perak. Sighted the attendance list dated 12/07/2018.</p> <p>Verified the Audit Report - Sighted 4 NCs and 3 OFI was raised during the internal audit. All the findings will be closed within 3 months as per procedure.</p>

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		As per Senarai Impak Sosial, Persekitaran & Pelan Tindakan Documant No. MSP0/SSCC/L-04/ISP Dated 30/03/2018.
<b>4.2 Transparency</b>		
4.2.1 Traceability	<b>Y</b>	a) Weighbridge ticket issued by ramp operator -Kept by smallholder. - To be verified during 2 <sup>nd</sup> Stage Audit. b) Buku Rekod Ladang maintain and kept by smallholders - To be verified during 2 <sup>nd</sup> Stage Audit.
<b>4.3 Compliance to legal requirements</b>		
4.3.1 Regulatory requirements	<b>Y</b>	a) As per Master List of Legal Requirement Register (Senarai Keperluan Undang-undang). Effective date 30/03/2018. 15 type of act been identified in the list such as Akta 127 (EQA 1974), Act 139 (FMA 1967), Act 149 (Pesticide Act 1974), Act 256 (Employment Act), etc. b) Briefing to all smallholder on 11/07/2018 at Taiping by local authorities such as DOSH, DOE, PERHILITAN, MPOB etc. - Sighted the attendance list. Verified the Name List of SPOC A15 Larut Matang. Held at 4 different areas; Hotel Seri Warisan Taiping, Pusat Timbang Sawit Ming Teik, Dewan Hotel Seri Malaysia Taiping & Dewan RTBK Pondok Tanjung.
4.3.2 Land use rights	<b>Y</b>	a) Copy of land title keep in the smallholder personnel file, total of the SPOC participants are 50, as per group manager, the total number will increase gradually. The sample of land title as below: <ol style="list-style-type: none"> <li>1. Yew Thean Lye – Lot no. 1844 (Larut Matang) – Pertanian.</li> <li>2. Marsitah Binti Abu Bakar- Lot no. 3004 (Larut Matang) – Pertanian.</li> <li>3. Norlela Binti Razali – Lot no.4416 (Larut &amp; Matang) – Pertanian.</li> <li>4. Jalaludin Bin Mahudin – Lot no. PT1140 (Larut &amp; Matang) – Tanaman Kormesial Kelapa Sawit.</li> <li>5. Tay Cheng Hoe – Lot no. PT1387 ( Larut &amp; Matang) – Tanaman Komersial – Kelapa sawit.</li> <li>6. Chuah Lew Tuan – Lot no. 572 - Tanaman Komersial.</li> <li>7. Roohaya Binti Osman – Lot no. 8194 – Tanaman Komersial Kelapa sawit.</li> <li>8. Chew Soon Chuan – Lot no. 5110 – Tanaman Komersial Getah/Kelapa sawit.</li> <li>9. Beh Kok Ping – Lot no. 2166 – Tanaman Komersial Kelapa sawit.</li> <li>10. Zaleha Binti Idris – Lot no. 3048 – Tanaman Komersial Kelapa sawit.</li> </ol>

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		b) Boundary stone - To be verified during 2 <sup>nd</sup> Stage Audit.
4.3.3 Customary rights	Y	a) Refer to Borang B1 (Jadual Keempat Belas) Pelan Tanah. Verified the document attached with land title in individual file. The ownership of land title also been verified.
<b>4.4 Social responsibility, health, safety and employment condition</b>		
4.4.1 Complaints and grievances	Y	a) Refer to document - MSPO/SSCC/SOP-01/AR - Aduan Dan Rungutan effective date 30/03/2018. b) Establish the "Carta Aliran Aduan & Rungutan." c) Borang Aduan & Rungutan Document No. MSPO/SSCC/F-01/AR. - There is no complaint until this time of audit. - To be verified during stage 2 audit.
4.4.2 Employees safety and health	Y	a) Refer to document - MSPO/SSCC/SOP-04/KK - Prosedur Kemalangan, Kejadian Berbahaya Dan Keracunan Pekerjaan. Effective date 30/03/2018. i) Verified Document No. MSPO/SSCC/SOP-04/KK - Prosedur Kemalangan, Kejadian Berbahaya & Keracunan Perkerjaan. ii) MSPO/SSCC/SOP-02/BK - Pengendalian Dan Pelupusan Bahan Kimia effective date 30/03/2018. iii) MSPO/SSCC/SOP-03/BT - Pengurusan Bahan Buangan Terjadual. Dated 30/03/2018. iii) MSPO/SSCC/GP-02/KKP - Garis Panduan Keselamatan Dan Kesihatan Pekerjaan. Dated 30/03/2018. - There is no report of accident until this time of audit.
4.4.3 Employment conditions	Y	Sighted the document no. MSPO/SSCC/SMP-01 Syarat Mengupah Pekerja Di Kebun Sawit.  Sighted the document no. MSPO/SSCC/TPP-01 Terma Penggajian Pekerja.
4.4.4 Training and competency	Y	Group Manager established the Garn Chart Pensijilan MSPO bagi SPOC A15 Larut Matang Tahun 2018 and planned appropriate training for smallholders.  Training record available for smallholder as below:  1) Taklimat MSPO BAGI SPOC A15 untuk Pekebun Kecil Persendirian & Prinsip-prinsip Umum untuk Pekebun Kecil;- 1. Ceramah MSPO 2. Kesedaran Keselamatan & Kesihatan Pekerja Di Ladang Sawit. 3. Pengurusan/Pelupusan Sisa Racun Kimia. 4. Kesedaran Tentang Spesis Haiwan Terancam/Pupus.

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		Sighted the attendance list – Hotel Seri Warisan Taiping.
<b>4.5 Environment, natural resources, biodiversity and ecosystem services</b>		
4.5.1 Environmental management plan	Y	Awarenes training done by DOE on 11/07/2018. Established "Senarai Sisa Racun Dan Domestik" year 2018. Established the "Senarai Sisa Racun Dan Domestik" - SPOC A15 Pengkalan Bharu, Beruas.
4.5.2 Efficiency of energy use and use of renewable energy	Y	MPOB has Established a format form of "Rekod Penggunaan Tenaga (Diesel)". Doc No. MSPO/SSCC/F-03/PTD. Effective date 30/03/2018
4.5.3 Waste management and disposal	Y	Established the document "Senarai Bahan Buangan Terjadual" year 2018. - To be verified during 2 <sup>nd</sup> Stage Audit. Established "Senarai Sisa Racun Dan Domestik" year 2018 As per Carta Alir Prosedur Pelupusan Bahan Buangan Terjadual. Doc. No. MSPO/SSCC/SOP-03/BT. Dated 30/03/2018. Refer to the letter from Jabatan Alam Sekitar, Ref. No JAS 91/110/619/130 Jld5(8) - (OBS)
4.5.4 Natural water resource	Y	To be verified during 2 <sup>nd</sup> Stage Audit.  Implementation of natural water resources as per GAP certification requirement.  Sighted the document no. MSPO/SSCC/GP-03/ZPS - Garis Panduan Zon Penampunan Sungai.
4.5.5 Status of rare, threatened, or endangered species and high biodiversity value	Y	Evidence on Training on "Kesedaran Tentang Spesis Haiwan Terancam/ Pupus. Conducted by PERHILITAN Negeri Perak. Dated 11 July 2018.
4.5.6 Zero burning pracrices	Y	Evidence on Training on "Keperluan Akta Alam Sekitar" - Pembakaran Terbuka, conducted by MPOB Officer - Sighted the attendance list dated 07/07/2018.
<b>4.6 Best Practices</b>		
4.6.1 Site management	Y	As per Program Lawatan LKN/ GAP SPOC A15 Larut Matang for year 2018, the program included plan for 50 participants in Jan – Oct 2018.  The actual visit for LKN and GAP Certification by MPOB officer has been done. Samples below;

System requirements	Y / N	Document reference if select "Y" or comments if select "N"
		<ol style="list-style-type: none"> <li>1. Zaleha Bt Idris – Date visit 10/04/2018.</li> <li>2. Beh Kok Ping – Date 02/04/2018</li> <li>3. Chew Soon Chuan – Date 17/07/2018</li> </ol> <p>Refer from GAP checklist record in individual file and as informed by GM, the assessment for GAP been done and all criteria are complied with participant. The GAP certification will be issues in nearby time.</p> <p>There are some findings been issued from 3 participants for LKN.</p> <ol style="list-style-type: none"> <li>1. Chew Soon Chuan – Not construct silt pits at terrace area.</li> <li>2. Beh Kok Ping – Planted OP at hilly area more than 25°.</li> </ol>
4.6.2 Economic and financial viability plan	Y	<p>Established the "Pelan Daya Ekonomi Dan Kewangan" Document No. MSPO/SSCC/GP-01/PEK dated 30/03/2018.</p> <p>GM has established the 'Program Pembajaan &amp; Kawalan Rumpai 2018'. The program has been distributed during LKN. Sighted the said document.</p> <p>As interview with GM, he has advice participant verbally to reserve a budget for own and for manuring and chemical spraying program with ratio 3:1 of the crop yield.</p>
4.6.3 Transparent and fair price dealing	Y	<p>To be verified during 2<sup>nd</sup> Stage Audit. - Evidence based on "Resit Timbang" issued by the Dealer Fruit.</p> <p>The list of 'Pusat Timbang' are listed in Stakeholder List. (Pesona Sales &amp; Services Sdn Bhd, Ming Teik Sawit &amp; Sinaran Sawit Enterprise)</p>
<b>4.7 Development of new planting</b>		
4.7.1 Oil palm shall not be planted on land with high biodiversity value	-	NA
4.7.2 Soil survey	-	NA
4.7.3 Extensive planting on steep terrain, marginal and fragile soils	-	NA

### Observation for Improvement

Auditor	Observation
BH	<p>4.5.3 Waste Management &amp; Disposal Sighted letter from DOE (JAS91/110/619/130) dated 24/05/2018 on 'Pelepasan Bekas Tong Racun Kosong Daripada Buangan Terjadua', however, the SOP on scheduled waste handling not yet revise on specifically for empty chemical container as per approval from DOE.</p>

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

<b>Section C</b>	<b>Conclusion</b>
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**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) 50**

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation
Badrul Hisham Hj Baharin (BH)	Mohd Nazi Jama'in	Group Manager (MSPO)
Team member	Siti Lapisah Bt Muhammad	Officer
Mohamad Hafis Mustafa (MH)	Nasihah Mohd Sofi	MPOB Officer (HQ)
Trainee auditor	Rosli Bin Idris	MPOB Officer
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	Badrul Hisham Hj Baharin	Mohd Nazi Jama'in
Date	24/07/2018	24/07/2018
E-mail	badrul.hisham@cciglobe.com	
Fax No	03-8073 2688	

**FOLLOW - UP:**

**Area of Concern status:**

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

Stage 1 audit conclusion: Ready for stage 2 audit

Signatory of auditor	
Date	24/07/2018