

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

CLIENT/COMPANY	SUSTAINABLE PALM OIL CLUSTER PANCANG BEDENA (SPOC B7)	AUDIT NO.	080/18
ADDRESS	Pejabat MPOB Caw. Kuala Selangor, Lot 5 – 03, Tingkat 5, Kompleks PKNS Kuala Selangor, Jalan Perusahaan 1, 45000 Kuala Selangor, Selangor.		
TYPE OF ASSESTMENT	Main Audit		
GROUP MANAGER	En. Mohd Azrol b. Abdul Murad		
EMAIL ADDRESS	azrol@mpob.gov.my		
WEB PAGE	-		
AUDIT STANDARD(S)	MS 2530-2:2013 MSPO Part 2: General principles for independent smallholders		
AUDIT SCOPE	Production of Sustainable Fresh Fruit Bunches		
GROUP MEMBERS	50 Independent Smallholders		
STAGE 2 AUDIT DATE	27 th & 28 th August 2018		
STAGE 1 AUDIT DATE	23 rd July 2018		
NEXT AUDIT DATE	1 st Surveillance Audit tentatively plan on July 2019 .		
OTHER CERTIFICATION HELD	Nil		
CERTIFICATE VALIDITY	19 October 2018 – 18 October 2023		
AUDITOR TEAM MEMBERS	LEAD AUDITOR	Yusof Khairan Nizar Ahmad Tarmizi (YKN)	
	AUDITOR	1. Mohd Isa Hasim (ISA) 2. Aisa Haris Pang (AHP)	

***These are your certification details.
Please inform us immediately if amendments are required.***

Audit Conclusion:

Based on the documentation reviewed, records sampled, site visit and interview with relevant personnel's during this **Stage 2 Audit**, we conclude that, **SUSTAINABILITY PALM OIL CLUSTER PANCANG BENDENA (SPOC B7)** has effectively implemented its Malaysian Sustainable Palm Oil system in accordance to the **MS 2530-2:2013** requirements in line with the organization procedure & policy for the above mentioned scope.

Recommendation:

The audit team has agreed to **recommend** for **SUSTAINABILITY PALM OIL CLUSTER PANCANG BENDENA (SPOC B7)** to be awarded with **MS 2530-2:2013 Certifications** based on existing scope on the conditions that the raised NCR & OFIs are satisfactorily closed within the stipulated time frame subject to review by Certification Approval Panel (CAP).

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Lead Auditor	Yusof Khairan Nizar Ahmad Tarmizi	Signature		Date	28 September 2018
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EXECUTIVE SUMMARY

NIOOSH Certification is an accredited Certification Body by Standards Malaysia which providing a comprehensive certification and inspection services mainly for management system of occupational safety & health, environmental, quality and MSPO for various industries.

The Stage 2 compliance audit for SPOC B7 has been satisfactorily conducted by NIOOSH Certification Sdn. Bhd. on 27th and 28th August 2018 to evaluate the MSPO implementation of SPOC B7. Malaysian Palm Oil Board (MPOB) Cawangan Kuala Selangor was assigned to established and monitored SPOC B7 which located at Pancang Bendena, Kuala Selangor. The area is about 1 hour drive from Kuala Selangor town. The cluster was a group of certification participated by 50 independent smallholders. The total area of oil palm plantation for SPOC B8 is approximately 69.17 Ha. During the audit closing meeting held on 28th August 2018.

The following items represented **positive observations** by the audit team:

1. Good support and commitment observed from Group Managers, Staff of MPOB Kuala Selangor Office/HQ and selected participated smallholders in the auditing process.
2. *Buku Rekod Ladang* provided by MPOB to participated smallholders to maintain records and data related to MSPO.
3. During field visit most of stakeholder are being applied a Good Agriculture Practice (GAP) to their field. It shows the consistency of delivery information from MPOB Officer to the stakeholder.

The overall results of the audit are as follows:

- a. **NONE** – Major Nonconformity Report (NCR);
- b. **ONE (1)** – Minor Nonconformity Report (NCR); and
- c. **TWO (2)** – Opportunities For Improvement (OFI)

ASSESSMENT TEAM MEMBER

Lead Auditor	<p>Yusof Khairan Nizar</p> <p>Has educational background Certificate of Safety and Health Officer-Malaysian Insurance Institute (2003). Diploma in Public Administration (1991). Bachelor of Corporate Administration (Hons)-MARA University of Technology, Malaysia (2003), Master of Science in Occupational Safety and Health Management-Northern University of Malaysia (2011). Successfully attended course ISO 9001:2000 IRCA/IATC A Lead Auditor Training-International Management & Technology Limited (Kuala Lumpur), ISO 14001:2004 IEMA Approved EMS Advanced Lead Auditor Training Course-Aspects Moody Certification Ltd (UK). OH&SMS IRCA Certified Lead Auditor Training Course-Moody International (KL). MSPO Approved Auditing Course-SGS (2018). Continually enhanced the auditor course for ISO 45001:2018, ISO 9001:2015 and ISO 14001:2015.</p> <p>Experience in managing, consulting, training and auditing quality, environmental, occupational safety and health management systems such as ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007, MS1722:2011/ISO 4501:2018 from 1996-Current. Contract Trainer of OSH & Environmental Legal & Other Requirements Lead Auditors course for SIRIM Training Services Sdn Bhd & NIOSH Certification Sdn Bhd. Contract Auditor for Quality, Environmental, Occupational Safety and Health Management System and Malaysia Sustainable Palm Oil (MSPO). OSH, Legal and Environmental Auditor for TUV Rheinland Malaysia RSPO Principles & Criteria. Contract Sirim QAS International Auditor (2006). Department of Occupational Safety and Health Malaysia (DOSH) Registered Safety and Health Officer (2003-2006). Approved Human Resources Development Fund (HRDF) Trainer (since 2011). Also appointed as Assessor for Prime Minister's Hibiscus Award (Malaysian Premier Environmental Award, involving assessment for oil and gas companies, plantations industries, manufacturing, utilities, hospitality, cleaning and transportations services (since 2003).</p>
Auditor	<p>1. Mohd Isa Bin Hasim</p> <p>As a holding professional certificated 1st grade Steam Engineer, Lead Auditor MSPO MS2530, Lead Auditor ISO 9001:2015 and Lead Auditor Course for Integrated Management System, Safety Officer (SHO) NIOSH, Authorized Entry Standby Person (AESP) NIOSH, Competent Person Schedule Waste (CePSWaM) DOE. Currently join a team between Certification Body as a MSPO Auditor since 2015 until now 2018. Current achievement he had got certification for Train The Trainer (TTT) from NIOSH and also (TTT) from HRDF.</p> <p>He has experience working in oil palm plantation industry which is background in palm oil mill as an Mill Engineer at Sime Darby Plantation. Expertise in palm oil mill processing, implementation good mill practice in mill organization and maintain on legal compliance for safety, health and environment. Also experienced in the oil palm plantation. He shows a good communicate between his cooperate team members during develop the documentation on Roundtable Sustainable Palm Oil (RSPO). He also has demonstrated leadership skill within palm oil mill organization with lead a team until successful achieving the certification of RSPO/MSPO.</p>

Auditor	<p>2. Aisa Haris Pang Holds a Bachelor of Agricultural Science, Universiti Malaysia Sabah (UMS) and successfully attended Lead Auditor course for Occupational Safety & Health Management System (OHSAS 18001:2007 & MS 1722:2011) , Awareness for Internal Auditor of Quality & Environmental MS Auditing Skills Based on Risk Management, Conformity Assessment – For Bodied Providing Audit and Certification (ISO/IEC 17021:2015) and Transition course on ISO 45001:2018.</p> <p>She was previously a practitioner sustainable certification (RSPO, MSPO and ISCC) for estates and mills and experience in implementation of sustainability development. Also has experience in auditing as Sustainability Audit Officer for conducting audits in covering good agricultural practices, social and environmental matters as well as occupational safety and health aspects for palm oil mills and estates. She is competent person for Certified Environmental Professional in Scheduled Waste Management (CePWSaM) and also a Committee Member for NIOSH Certification MSPO Auditor and ISO 45001 Lead Auditor Training Module Development.</p>
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AUDIT METHODOLOGY & AUDIT PROGRAMME

SPOC B7 has been registered as a group of certification consists of 50 independent smallholders. Based on initial review self-questionnaire and Stage 1 Audit assessment, the risk factor low (1.0) is determined. The Stage 2 audit assessment has been conducted on sampling based on sampling size $1.0\sqrt{50}$ calculation resulted of 8 sampled independent smallholders. The minimum mandays has been justified as per ACB-OPMC 2 (Audit Duration for CB Operating Oil Palm Management Certification Under MSPO Scheme). The assessment were cover documentation and records review, physical field observation, interview with *Pekebun Kecil*, their workers and contractors.

SUMMARY OF AUDIT FINDINGS

Stage 2 audit for SPOC B7 have been satisfactorily conducted by NIOSH Certification Sdn. Bhd. on 27th & 28th August 2018. During the audit closing meeting held on 28th August 2018, the overall results of the audit are as follows:

- a. **NONE** – Major Nonconformity Report (NCR);
- b. **ONE (1)** – Minor Nonconformity Report (NCR); and
- c. **TWO (2)** – Opportunities For Improvement (OFI)

***The grading of nonconformity (Major / Minor) is based on ISO/IEC 17021:2015 guidelines.**

The audit team has satisfactorily verified the corrective action plan provided by the client. The effectiveness on the action plan for the corrective action will be reviewed by NIOSH Certification's auditors during the next surveillance audit.

Review and follow-up on previous audit findings

There was no area of concern raised during Stage 1 Audit for SPOC B7. The Group Manager from MPOB Kuala Selangor Office has taken actions to further improve the preparation and implementation of MSPO requirements as observed prior to Stage 2 Audit as evidence seen at 8 selected sampled sites and related documentations.

Stakeholders Consultation Session

Stakeholder consultation began with notification of upcoming assessment by official letter 26th July 2018 to identified stakeholders. Emails, phone call and official letter were sent to applicable interested stakeholders. Audit team then visited some stakeholders to obtain positive / negative information or any issues in connection with **SPOC B7**. Among stakeholders contacted included:

- Pejabat Daerah & Tanah Sabak Bernam
- Majlis Daerah Sabak Bernam
- Pejabat Kesihatan Daerah
- Jabatan Perlindungan Hidupan Liar & Taman Negara (PERHILITAN)
- Pejabat Pertanian Daerah
- Jabatan Alam Sekitar (JAS) Sabak Bernam
- Pejabat Perkhidmatan Veterinar
- Pertubuhan Peladang Kawasan

It was started with a slide presentation by NIOOSH Certification explaining about the objectives of the MSPO certification scheme and purpose of stakeholder consultation. Agenda of discussion including legal compliance, environmental protection, biodiversity conservation, safety & social responsibility and development of community. No major adverse issue been raised as consulted during the audit. All positive and negative inputs from stakeholders has been discussed with management of **SPOC B7** with proper justification and adequate action plan by the management team to address the issue.

DETAILS OF INDEPENDENT SMALLHOLDERS

No.	Name	Address Of Smallholdings	GPS Coordinates	Year Of Planting	Licence No.	Area (Ha)	Average FFB Production Jan - Aug (Ton/Year 2018)
1	Hairuddin Bin Jamian	Lot 4109 Merbau Berdarah Am 111,Mukim Sungai Panjang	101° 6'44.25 " E 3 ° 43 '5.27 " N	2017	552852-901000	1.33	Immature
2	Lim Chin Hing	Lot 972 Mukim Pancang Bedena	100° 59'48.90 " E 3 ° 43 '39.42 " N	2013	463327-801000	2.02	38.88
3	Samsudin Bin Tukachil	Lot 3920 Mukim Sungai Panjang	101° 5'50.15 " E 3 ° 43 '38.15" N	2012	209231-901000	1.359	24.16
4	Norita Binti Ambiah	Lot 3687 Mukim Sungai Panjang	101° 12'12.72 " E 3 ° 41 '36.58 " N	2009	437375-601000	0.6379	7.55
5	Mohd Samuri Bin Jasmani	Lot 1324 Mukim Pancang Bedena	101° 6'42.6882 " E 3 ° 38 '11.3647 " N	2012	453061-40-1000	2.05	35.90
6	Lim Chin Leong	Lot 969 Mukim Pancang Bedena	100° 59'39.26 " E 3 ° 43'41.79 " N	2012	464381-801000	2.0234	38.88
7	Zainuddin Suraji	Lot 3640 Mukim Sungai Panjang	101° 12'13.64 " E 3 ° 42 '12.66 " N	2009	205762-901000	2.23	22.81
8	Salimin Bin Pardi	Lot 3498 Mukim Sg Panjang	101°11 '11.92" E 3 ° 42 '16.48 " N	2009	207684-401000	2.2	41.02
9	Abdul Karim Bin Saiun	Lot 3532 Mukim Sungai Panjang	101°11 '24.53" E 3 ° 41'50.72 " N	2009	437807-301000	2.2857	42.50
10	Gan Chooi Luan	Lot 971 Mukim Pancang Bedena	100° 59'46.27" E 3 ° 43 '40.09 " N	2012	463340-501000	2.02	19.99
11	Gan Chooi Kuan	Lot 989 Mukim Pancang Bedena	100° 59'47.57 " E 3 ° 43 '39.62 " N	2012	463401-101000	2.02	19.99

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12	Nor Badrul Hisham Bin Ambiah	Lot 3687 Mukim Sungai Panjang	101° 12'12.10 " E 3 ° 41 '39.33 " N	2009	437375-601000	0.6	7.51
13	Lee Siew Kheng	Lot 975 Mukim Pancang Bedena	100° 59'58.81 " E 3 ° 43 '36.46 " N	2013	463324-301000	2.02	38.82
14	Pua Chye	Lot 974 Mukim Pancang Bedena	100° 59'47.57 " E 3 ° 43 '37.00 " N	2013	463365-101000	2.02	38.88
15	Salehan Bin Kabit	Lot 3572 Mukim Sungai Panjang	101° 11'39.16 " E 3 ° 42 '43.31 " N	2009	436394-701000	2.3335	53.90
16	Musa Bin Ma'ali	Lot 3633 Mukim Sg Panjang	101° 11'38.09 " E 3 ° 42 '21.04 " N	2009	In Progress	2.29	53.89
17	Mohammed Razi Bin Md Ani	Lot 3541 Mukim Sungai Panjang	101° 11'4.57 " E 3 ° 42 '45.50 " N	2009	210068-101000	2.4888	51.36
18	Ahmad Nawi Bin Asnawi	Pt 3306 Mukim Sungai Panjang	101° 17'19.995 " E 3 ° 17 '19.995 " N	2012	489676-701000	0.768	25.18
19	Md Ruzaini Bin Koyube	Pt 264 Parit 9-10 Gambut, Mukim Sungai Panjang	101° 4'1.53 " E 3 ° 42 '29.23 " N	2013	489718-601000	1.2138	30.30
20	Mohd Sahak Bin Zaini	Lot 8767 Parit 13 Tebok Jaya, Mukim Sungai Panjang	101° 5'38.61 " E 3 ° 44 '13.78 " N	2016	562206-101000	1.279	Immature
21	Hamidah Binti Kadri	Lot 3098 Mukim Sungai Panjang	101° 9'21.95 " E 3 ° 43 '19.47 " N	2017	572736-001000	1.84	Immature
22	Abdullah Bin Jumat	Lot 20364 Mukim Pancang Bedena	101° 03'10.7 " E 3 ° 42 '21.2 " N	2017	209522-901000	1.2	Immature
23	Mohd Latif Bin Ali	Lot 11441 Mukim Pancang Bedena	101° 2'58.63 " E 3 ° 36 '18.85 " N	2017	467590601000	0.8266	Immature

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No.	Name	Address Of Smallholdings	GPS Coordinates	Year Of Planting	Licence No.	Area (Ha)	Average FFB Production Jan - Aug (Ton/Year 2018)
24	Samsul Bin Tokimin	Lot 4322 Merbau Berdarah Am 3,Mukim Sungai Panjang	101° 5'40.16 " E 3 ° 42 '39.43 " N	2016	562447101000	1.317	Immature
25	Mohamad Suwandi Bin Sidik	Lot 20389 Mukim Pancang Bedena	101° 3'21.83 " E 3 ° 41 '54.31" N	2012	481041-201000	1.266	23.40
26	Sudin Bin Hj Razuan	Lot 10039 Mukim Panchang Bedena	101° 3'25.094 " E 3 ° 36 '43.012" N	2013	462133-401000	0.51	22.25
27	Ahmad Ikbal Bin Mohd Yusof	Pt 732 Parit 5/1 Gambut,Mukim Pancang Bedena	101° 2'57.48 " E 3 ° 40 '24.85" N	2015	531274-701000	1.2	Immature
28	Arshad Bin Otoh	Lot 4104 Merbau Berdarah Am 3,Mukim Sungai Panjang	101° 6'52.18 " E 3 ° 43 '14.41" N	2017	207031-501000	1.32	Immature
29	Arsat Bin Hasan	Lot 3919 Blok B Merbau Berdarah Am 3,Mukim Sungai Panjang	101° 5'52.72 " E 3 ° 43 '40.37" N	2013	210140-701000	1.348	20.30
30	Hasnah Binti Johari	Pt 3377 Bagan Tunjang,Mukim Sabak	101° 0'22.36 " E 3 ° 47 '30.45" N	2017	554929-101000	1.02	Immature
31	Mohd Rashid Bin Lokman	Lot 324 Tebuk Baru,Mukim Sabak	101° 1'5.37852 " E 3 ° 47 '26.7882" N	2017	439206-801000	0.6	Immature
32	Md Johari Bin Wahdan	Lot 3921 Merbau Berdarah Am 3, Mukim Sungai Panjang	101° 5'49.53 " E 3 ° 43 '36.52" N	2012	461882-101000	1.243	23.28
33	Salimah Binti Senin	Lot 20654 Mukim Pancang Bedena	101° 17'05.558 " E 3 ° 17 '19.995" N	2012	479206-601000	1.164	16.48
34	Sanusi Bin Hadi	Lot 4107 Telok Dungun,Mukim Sabak	100° 55'31.14 " E 3 ° 48 '36.41" N	2010	In Progress	1.2773	29.57
35	Ayub Bin Mahmudin	Lot 2934 Mukim Sungai Panjang	101° 2'20.22 " E 3 ° 47 '1.20" N	2012	466556-10-1000	0.755	12.37

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No.	Name	Address Of Smallholdings	GPS Coordinates	Year Of Planting	Licence No.	Area (Ha)	Average FFB Production Jan - Aug (Ton/Year 2018)
36	Mohamed Hassan Bin Abd Majid	Lot 2366 Mukim Sungai Panjang	101° 3'4.25 " E 3 ° 46 '47.51" N	2012	207447-701000	1.22	19.36
37	Supangah Binti Haji Omar	Lot 41 Parit 9 Gambut, Mukim Pancang Bedena	101° 4'6.609 " E 3 ° 41'33.36" N	2012	472912-701000	1.214	6.20
38	Naslah Bin Jajuli	Lot 4392 Mukim Pasir Panjang	101° 4'7.6987 " E 3 ° 34 '45.866" N	2012	472912-701000	2.0234	49.17
39	Kasmirah Binti Munasir @ Hj Mansor	Lot 3971 Mukim Sungai Panjang	101° 5'53.19 " E 3 ° 43 '23.19" N	2012	452685-401000	1.219	37.10
40	Suzana Binti Daud	Lot 3998 Merbau Berdarah Am 3, Mukim Sungai Panjang	101° 6'30.18 " E 3 ° 43'27.74" N	2012	448943-601000	1.279	6.90
41	Timah Binti Latip	Pt 2014 Pekan Bagan Terap	101° 03'37.1 " E 3 ° 44'56.6" N	2016	532623-301000	0.405	10.36
42	Amad Kanan Bin Kandar @ Yasin	Pt 4063, Mukim Sungai Panjang	101° 6'39.68 " E 3 ° 43'19.12" N	2012	464403-201000	1.233	7.50
43	Azmi Bin Salimin	Lot 9864 Parit 9-10 Gambut, Mukim Sungai Panjang	101° 4'3.35 " E 3 ° 42 '27.99" N	2017	545390-101000	1.405	23.80
44	Abd Wafor Bin Ahyer	Lot 430 Parit 9-10 Gambut, Mukim Sungai Panjang	101° 3'35.04 " E 3 ° 42 '16.03" N	2013	462206-301000	1.21	15.17
45	Ahmad Bin Pardi	Pt 331 B Mukim Panchang Bedena	101° 3'43.58 " E 3 ° 40 '59.64" N	2012	209132-101000	0.61	7.80
46	Mohijan Bin Dolkarim	Lot 331 A Panchang Bedena	101° 3'42.74 " E 3 ° 40 '59.99" N	2011	449290-901000	0.6	16.00
47	Latifah Binti Rajuddin	Lot 20599 Mukim Pancang Bedena	101° 3'56.1326 " E 3 ° 41 '24.5731" N	2012	209125-801000	1.046	6.00

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No.	Name	Address Of Smallholdings	GPS Coordinates	Year Of Planting	Licence No.	Area (Ha)	Average FFB Production Jan - Aug (Ton/Year 2018)
48	Royati Bin Lebar	Lot 21599 Mukim Pancang Bedena	101° 2'41.4 " E 3 ° 40 '47.5" N	2016	459857-001000	1.2	Immature
49	Robaniah Binti Latip	Pt 2016 Pekan Bagan Terap, Sabak Bernam	101° 3'38.98 " E 3 ° 44 '55.73" N	2012	579170-001000	0.405	10.08
50	Tee Hing Tiak	Lot 9216 Mukim Pancang Bedena	100° 57'40.522 " E 3 ° 42 '8.653" N	2012	465489-501000	2.02	49.97
TOTAL						69.17	1,004.58

Note: Marked Names were the 8 Selected Participated Smallholders sampled during the Stage 2 Audit Year 2018

LOCATION AND MAP

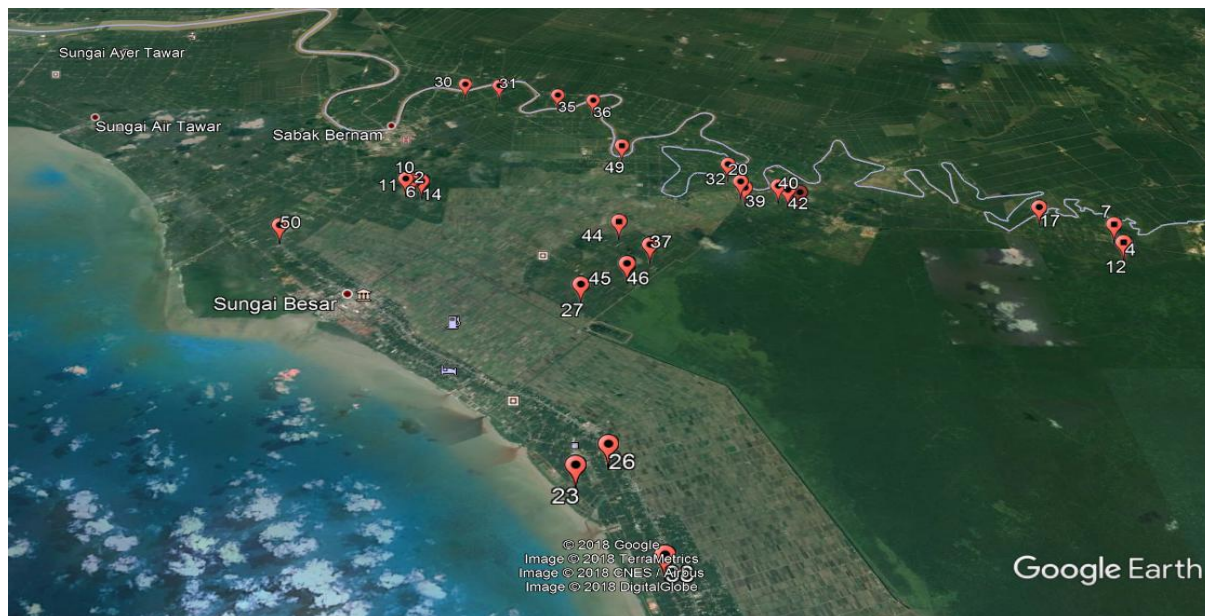


Figure 1: Location Map for Sabak Bernam and Pancang Bedena District

Location Map for SPOC B7 Independent Smallholders

APPENDIX A: Gallery of Pictures

Audit Session at Fields





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Others

Nil

Disclaimer

NIOSH Certification provides services which are designed to determine whether the referenced Management System of the client:

- a) complies with the relevant (mentioned) Standard; and
- b) has been properly implemented and maintained.

Audits are based on random sampling techniques and non conformances may exist which did not become apparent during the audit.

NIOSH Certification does not provide any advice on compliance with any legislation, regulation, or standards. All audit reports and other documentation provided by NIOSH Certification, are given in good faith and in reliance on the accuracy and completeness of the information provided by the client. No responsibility is accepted to any third party that may rely in whole or in part on the content of this report, to the extent permitted by Law.

- End of Audit Report -