

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

CERTIFICATION SUMMARY REPORT

Of:

SPOC SELAMA

MAIN ASSESSMENT/~~ANNUAL ASSESSMENT~~

01 & 02/03/2017



Confidentiality clause: This audit report is confidential and limited in distribution to Global Gateway Certifications Sdn. Bhd. and to the Organisation audited. It remains the exclusive property of the certification body, therefore it is forbidden to reproduce either partially or in totality without the formal authorization of the certification body.

Audit Process Steps

Audit Planning completed	22/02/2017
Field audit completed	01 & 02/03/2017
Draft report completed and internal review	08/03/2017
Final report completed	19/05/2017
Report sent to Certifier	20/03/2017
Report received from External Peer Reviewer	21/04/2017
Certification Decision	19/05/2017

Prepared & Signed by Lead Auditor



Name: Mahaswaran Maliyapan

Position: Lead Auditor

Date: 19/05/2017

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1.0 Executive Summary



1.1 Objective, Audit Methodology, Certification Scope and Recommendation .

Objective of Certification Assessment

Global Gateway Certifications Sdn. Bhd. [*thereafter known as GGC*] has conducted the Main or Certification Assessment of Kelompok Minyak Sawit Mampan Malaysia [SPOC] Selama (RTBK Pondok Tanjung Berhad), MPOB Cawangan Taiping, Perak Malaysia. As for this assessment, from a total smallholder of 287 that registered with cooperative, the MPOB SPOC Selama has selected 41 smallholders totalling 164.08HA. This certification unit is located 16KM from Selama, 32KM from Taiping township and surrounded by Estate Segar and Estate Holyrood that manage by the Agriculture Department of Perak. Formerly this place called as RTBK [Rancangan Tanah Belia Khas] a scheme established by Perak state government in 1971 that promoted the migration of young generation from nearby township to form smallholder settler scheme. In 1988, the settlers were given land title and a cooperative was formed to assist and manage the smallholder's farm which was previously managed by Agriculture Department of Perak. In 2013, Koperasi Pondok Tanjung Berhad been awarded as "Indeks 100Keperasi Terbaik Malaysia 2013" by the Suruhanjaya Koperasi Malaysia, Perak.

This assessment was conducted onsite from 01st – 02nd March 2017 by 2 auditors to assess the compliance of the certification unit against the MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for Independent Small holders and MSPO Guidance - Part 2_Edited Version (100114).

As per the MSPO System Document's requirement, technically this assessment being conduct after 6 months of stage 1 due to the transition process from previous certification body. The on-site Stage 1 audit was conducted by Control Union Certification on 24/08/2016 that resulted with 6 Area of Concerns [AOC] which was communicated to GGC prior to the stage 2 assessment and the Lead Auditor has verified the actions taken were effective to be closed out.

Audit Methodology

The methodology for collecting of objective evidence included physical site inspections, observation of tasks and processes, interviews of stakeholders, smallholders, SPCO officers, review of documentation and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also taken into account in the assessment.

Certification Scope ology

The approach to the audit was to treat the independent smallholders group as a MSPO Certification Unit. Based on the planted area, year of planting and geographical locations 07(seven) smallholders were sampled together with its cooperative management and infrastructure. The assessment focused on compliance to legal requirements on the land title, land use rights, trainings on good agriculture practices, awareness towards environmental and conservation value management, waste management and disposal and plantation activities such as fertilising, chemical spraying and harvesting.

Recommendation



This report will be internally reviewed prior to certification decision by GGC and externally peer reviewed by MPOB panel reviewers. Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted with no major non-conformity findings, therefore **the lead auditor recommends Kelompok Minyak Sawit Mampan Malaysia [SPOC] Selama** for compliance with the MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for Independent Small holders and MSPO Guidance - Part 2_Edited Version (100114).

1.2 Company details and Contact information

Company Name	SPOC Selama
Business Address	Pejabat MPOB Cawangan Taiping, Lembaga Minyak Sawit Malaysia. No. 31 A, Tingkat 1, Susur Simpang. 34700, Simpang Taiping. Perak. Malaysia.
Contact Person	Puan Siti Lapisah Bt Muhammad
Office Telephone	05-847 0716
E-Mail	Siti.Lapisah@mpob

1.3 Certification Unit

Name of the Certification Unit	Kelompok Minyak Sawit Mampan Malaysia [SPOC] Selama, MPOB Cawangan Taiping, Perak Malaysia.	
Site Address	Pejabat MPOB Cawangan Taiping, Lembaga Minyak Sawit Malaysia. No. 31 A, Tingkat 1, Susur Simpang. 34700, Simpang Taiping. Perak. Malaysia.	
GPS Reference of the site office	Longitude	4.821 ° N
	Latitude	100.7053 ° E

1.4 Production Area, Actual and Projected FFB Production (MT)

Producer Group	SPOC Selama
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Total Production area (ha)	164.08
Projected from last audit	NA
Actual production (Jan – Dec 2016)	2984.68
Projected production for next 12 months (Jan – Dec 2017)	3004.68

1.5 Certification Details

Certification body	Global Gateway Certifications Sdn. Bhd., No. 10 Jalan Rami 7, Taman Rasmi Jaya, 68000. Ampang, Selangor Darul Ehsan. Malaysia. Tel.: +603 4256 2689; Fax: +603 4256 2687 - www.ggc.my
Assessment standard	MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for Independent Small holders and MSPO Guidance - Part 2_Edited Version (100114)
Certificate number	GGC-MSPO SPOC/17-001
Initial certificate issued date	To be release after report approval by MPOB
Certificate expiry date	To be release after report approval by MPOB
Stage 1 assessment date	24 th August 2016
Stage 2 / Main Assessment	01 st – 02 nd March 2017



Annual Surveillance 1 [ASA 1] NA

Annual Surveillance 2 [ASA 2] NA

Annual Surveillance 3 [ASA 3] NA

Annual Surveillance 4 [ASA 4] NA

2.0 Assessment Process

2.1 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: Mahaswaran Maliyapan

Executive Master in Entrepreneurship Enhancement [Supply Chain Management], Professional Diploma in International Management Practices, Graduate Diploma in Business Administration and Diploma in Mechanical Engineering. Has vast exposure and experience in engineering, quality, 2nd & 3rd party auditing in various industries and owns proven track records of auditing various multinational companies both locally and internationally. Certified Lead Auditor for ISO 9001, 14001, OHSAS 18001, RSPO P&C, RSPO SCCS, RSPO Next. Since 2012 trained in agriculture certification programs such as RSPO, MSPO and SCCS and holds role as lead auditor or auditor with several local and overseas certification bodies. He too in Quality Environmental Management System as well the Occupational, Health and Safety auditing.

Auditor

Name: Muhammad Haris bin Abdullah



He holds MBA from University Utara Malaysia and a degree in Business Administration (Hons) Majored in Human Resource Development from the Open University Malaysia. He has more than 3 years working experience in oil palm plantation and conducting social impact assessments of agriculture, agriculture best practices, and environmental impact assessment and worker's welfare. He has attended MSPO auditor training conducted by MPOB. He has involved in MSPO assessment implementation and pilot test assessment at Sindora Mill and Sindora Estate. He also has completed RSPO (P&C and SCCS), ISO 14001 (Environmental Management System), ISO 18001 (OHSAS) and International Sustainable and Carbon Certification (ISCC) Lead Auditor Training Courses. He had assisted with conducting audits of oil palm plantation for more than 12 companies against the RSPO P&C in Indonesia and Malaysia for the past 4 years. During this assessment, he assessed on the aspect of Legal, Good Agriculture Practices, Environment, Social and community engagements, Stakeholders consultation, and worker's welfare.

2.2 Stakeholder Consultation

Since this is a transfer audit process, therefore SPOC Selama has been given the exemption of 30 days' stakeholder notification by MPOB. However, during the stage 2 audit the audit team has conducted stakeholder consultations involving both internal and external stakeholders as to understand the smallholder's practices in relation to environmental, social performance and their performance with respect to the MSPO requirements. The meeting was conducted without the present of group management of Certification Unit. At the start of each meeting, the auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the smallholders before discussions continued. The auditor recorded comments made by stakeholders and verified with the group management before incorporating into the assessment findings.



3.2.3 Area of Concern: Nil

3.3 tracking of Nonconformities and Area of Concern identified in previous assessment [Not applicable for main assessment]

NC Ref.	CLASS	ISSUED	STATUS
NA			

3.4 Noteworthy positive Components

1	Koperasi Pondok Tanjung Berhad been awarded as "Indeks 100 Keperasi Terbaik Malaysia 2013" by the Suruhanjaya Koperasi Malaysia, Perak.
2	After the introduction of MSPO, seen there is a positive sign of younger generation interested in the oil palm cultivation in more sustainable agricultural practices.
3	The role and collaboration of co-operative and group manager, has very much influence the smallholders' awareness towards MSPO implementation.

4.0 Acknowledgement



4.1 Date of Surveillance Assessment Visit

The first annual surveillance assessment visit will be scheduled after 12 months of SPOC Selama's MSPO Certificate being issued.

4.2 Confidentiality

GGC auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.

4.3 Signing of Report

<p><i>Signed for on behalf of</i> SPOC Selama</p>  <p>..... Siti Lapisah Bte Muhammad Group Manager Date: 19/05/2017</p>	<p><i>Signed for on behalf of</i> Global Gateway Certifications Sdn. Bhd</p>  <p>..... Mahaswaran Maliyapan GGC Lead Auditor Date: 19/05/2017</p>
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