

GLOBAL GATEWAY CERTIFICATIONS

MALYSIAN SUSTAINABLE PALM OIL (MSPO)



CERTIFICATION SUMMARY REPORT

of

SUSTAINABLE PALM OIL CLUSTER Lundu & Sematan
(Kelompok Minyak Sawit Mampan Malaysia [SPOC] Q1, Lundu & Sematan)

MAIN ASSESSMENT

20- 22 /11/2017

| Rev | Date | Description | Done by | Role | Signature |
|-----|----------|--|-------------------|--------------|---|
| A | 22/11/17 | Issued for Peer Review | Mohd Rizal Kassim | Lead Auditor |  |
| B | 5/02/18 | Incorporated Peer Review Comments and Final Report | Mohd Rizal Kassim | Lead Auditor |  |



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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 Pekebun Sawit Mampan [SPOC] Lundu & Semantan As for this assessment, the SPOC Lundu & Semantan has selected 61 smallholders totalling 454.51 Ha and 16 smallholders were sampled for field visit. This certification unit is located about 30 KM from Kuching town. This assessment was conducted onsite from 20th to 22th November 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. The on-site Stage 1 audit was conducted on 23/08/2017 that resulted with 01 Minor Non Conformity which was communicated to Lead auditor 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 Methodology

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 05(five) 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] Lundu and Semantan** 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 Q1 Lundu and Semantan |
| Business Address | Malaysia Palm Oil Board (MPOB), SPOC Q1 (Lundu & Sematan), Tingkat 1, Sublot 12, Lot 704, Bau Town District, 94000 Bau, Sarawak, Malaysia |
| Contact Person | Mr Rosli Ahmad |
| Office Telephone | 082-762420 |
| E-Mail | rosli.amat@mpob.gov.my |

1.3 Certification Unit

| | |
|---|---|
| Name of the Certification Unit | Malaysia Palm Oil Board (MPOB), SPOC Q1 (Lundu & Sematan), Tingkat 1, Sublot 12, Lot 704, Bau Town District, 94000 Bau, Sarawak, Malaysia |
| Site Address | Kelompok Pekebun Sawit Mampan [SPOC] Daerah Lundu, Semantan. Sarawak. Malaysia |
| GPS Reference of the site office | Longitude 1.4187925 |
| | Latitude 110.15868 |

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

| | |
|-----------------------------------|---------------------------|
| Producer Group | SPOC Q1(Lundu & Semantan) |
| Total Production area (ha) | 454.51 |
| Projected from last audit | NA |



| | |
|---|---|
| Actual production (Jan – Dec 2016) | - |
| Projected production for next 12 months (Jan – Dec 2017) | - |

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-MPOB003-MSPO-00-2018 |
| Initial certificate issued date | 7 th February 2018 |
| Certificate expiry date | 6 th February 2023 |
| Stage 1 assessment date | 23 th August 2017 |
| Stage 2 / Main Assessment | 20 th – 22 th November 2017 |
| Annual Surveillance 1 [ASA 1] | NA |
| Annual Surveillance 2 [ASA 2] | NA |
| Annual Surveillance 3 [ASA 3] | NA |



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2.0 Assessment Process

2.1 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: Mohd Rizal bin Md Kassim

Post graduate qualification in Forestry with 5 years working experience in manufacturing and forestry. Involved in RSPO auditing since July 2012. Fully trained in similar agriculture certification programmes such as RSPO SCCS, ISCC, INS. Member of GGC audit team. Involved in audits conducted in Malaysia, Indonesia and Ghana. Completed ISO 9001:2008 lead auditor course in January 2013. Qualified as Lead Auditor/Auditor in several certification programme such as RSPO, ISCC, MSPO and etc. Able to speak and understand Bahasa Malaysia and English.

Auditor

Name: Ismadi bin Ismail

He holds Diploma in Planting Industry Management from MARA Institute of Technology, Kuantan Pahang. 24 years of working experiences with various plantation companies and skills in Best Agriculture Practices (GAP) for plantation. Fully trained in CoP, MSPO and OSHAS. Qualified as Lead Auditor/Auditor for MSPO and CoP. Involved in MSPO assessment since 2017. Completed and certified MSPO Auditor course in 2017 held by SGS (M) Sdn Bhd. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English.

Auditor

Name: Ahmad Kamal bin Shahabuddin

Lead Auditor for MPOB Codes of Practice Palm Oil Mills, Refineries, Estates, Nurseries, Bulking and Kernel crushers since 2011. 4 years of auditing experience in quality, environment (EQA), occupational health and safety (OSH), factories and machineries (FMA) 30 years' experience in Palm Oil Industries (MPOB). Involved in MSPO assessment since 2015. Completed and certified MSPO Auditor. course in 2017 held by SGS (M) Sdn Bhd. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English

2.2 Stakeholder Consultation



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.

3.4 Noteworthy positive Components

| | |
|---|--|
| 1 | The group manager has demonstrated very high commitment throughout the audit process and possess good knowledge on MSPO requirements. |
| 2 | The smallholder whom were sampled, complements the effort by the group manager in reaching every member to provide MSPO awareness training that benefits in long term. |

4.0 Acknowledgement

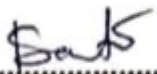

4.1 Date of Surveillance Assessment Visit

The first annual surveillance assessment visit will be scheduled after 12 months of SPOC Lundu & Semantan 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 Q1 Lundu & Semantan</p>  <p>.....</p> <p>Rosli bin Amat Group Manager Date: 19/2/2018</p> | <p><i>Signed for on behalf of</i> Global Gateway Certifications Sdn. Bhd</p>  <p>.....</p> <p>Mohd Rizal bin Kassim GGC Lead Auditor Date: 21/11/2017</p> |
|--|--|



