

GLOBAL GATEWAY CERTIFICATIONS

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

CERTIFICATION AUDIT REPORT

Sustainable Palm Oil Cluster (SPOC) Q32 Belaga, Sarawak.
[Kelompok Minyak Sawit Mampan Malaysia (SPOC) Q32 Belaga, Sarawak]

ANNUAL SURVEILLANCE AUDIT 1 31st July 2018 – 02nd August 2018

Revision History					
Rev	Date	Description	Done by	Role	Signature
A	25/10/18	Issued as Draf Report	Muhammad Syafiq	Lead Auditor	
B	31/10/18	Issued as Final Report	Muhammad Syafiq	Lead Auditor	



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1. 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 Certification Assessment of Sustainable Palm Oil Cluster (SPOC) Belaga (Q32) located in Belaga, Sarawak.

This certification unit is located 145 KM from Bintulu Town. During this Annual Surveillance Audit 1, the audit team briefed by Group Manager and his team, of the supply base disposition. At this moment, SPOC Belaga (Q32) group of smallholders consists of 71 members with 25 old members and 46 new members totalling of 454.60 Hectare.

The formula for calculating sample size of the audit is explained in the risk classification determination as per Malaysian Sustainable Palm Oil (MSPO) Risk Management (Doc No: MPOB/MSPO/RMP/06 dated 19 Nov 2013). Thus, 15 smallholders were sampled for documentation verification and site visit.

This assessment was conducted onsite from 31st July 2018 – 02nd August 2018 by 3 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 Smallholders and MSPO Guidance - Part 2_Edited Version (100114).

Audit Methodology

The methodology for collecting of objective evidence included physical site inspections, observation of tasks and processes, interviews of stakeholders, smallholders, SPOC 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 15 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

The group has established Sustainability Manual for policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of SPOC Belaga (Q32). Group Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

The management is committed to comply with MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The smallholders are aware of the requirements of MSPO. There was no complaint or feedback received during this Annual Surveillance Audit.

This report will be internally reviewed prior to certification decision by GGC. During this Annual Surveillance Audit 1, MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General Principles for Independent Smallholders and MSPO Guidance - Part 2_Edited Version (100114), two major non-conformities have been raised to the facilities that being audited. The major non-compliances were closed on 22nd October 2018 after submission of corrective action by the Group Manager. All the evidence submitted were found adequate and therefore all major non-conformities are closed. (Refer to Appendix E, non-conformity table for details).

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted with closed the major non-conformity findings. Therefore, the lead auditor recommends the certificate of compliance MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General Principles for Independent Smallholders and MSPO Guidance - Part 2_Edited Version (100114) to SPOC Belaga (Q32) is maintained.

1.2. Company details and Contact information

Company Name	Malaysia Palm Oil Board (MPOB)
Business Address	Stesen Penyelidikan MPOB Belaga, KM 02, Jalan Sg. Asap, Belaga. Bakun Resettlement Scheme, 96950. Belaga, Kapit, Sarawak. Malaysia.
Contact Person	Mr. Redza Ashmiruddin bin Roslan (Group Manager)
Office Telephone	086 – 472 024
E-Mail	redza@mpob.gov.my

1.3. Certification Unit

Name of the Certification Unit	Sustainable Palm Oil Cluster (SPOC) Belaga (Q32).	
Site Address	Stesen Penyelidikan MPOB Belaga, KM 02, Jalan Sg. Asap, Belaga. Bakun Resettlement Scheme, 96950. Belaga, Kapit, Sarawak. Malaysia.	
GPS Reference of the site office	Longitude	E 113°54'38.531"
	Latitude	N 3°02'33.540"

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

Producer Group	SPOC Belaga (Q32)
Total Production area (ha)	454.60 Hectare
Projected from last audit	3,027 MT
Certified Production (August 2017 – June 2018)	2,071.25 MT
Projected production for next 12 months (July 2018 – June 2019)	5,652.68 MT

1.5. Certification Details

Certification body	Global Gateway Certifications Sdn. Bhd., No. 10 Jalan Rasmi 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 Smallholders and MSPO Guidance - Part 2_Edited Version (100114)
Certificate number	To be released after report approval
Initial certificate issued date	To be released after report approval
Certificate expiry date	To be released after report approval
Stage 1 Assessment date	11 th August 2016
Stage 2 / Main Assessment	07 th March 2017 – 08 th March 2017
Annual Surveillance 1 [ASA 1]	31 st July 2018 – 02 nd August 2018
Annual Surveillance 2 [ASA 2]	July 2019
Annual Surveillance 3 [ASA 3]	July 2020
Annual Surveillance 4 [ASA 4]	July 2021

2. Assessment Process

2.1. Qualification of the Lead Auditor and Team

Lead Auditor

Name: **Muhammad Syafiq bin Abd Razak**

Graduate in plantation management with more than 7 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Fully trained in similar agriculture certification programs such as RSPO, SCCS, MSPO and etc. Qualified as Lead Auditor/Auditor in several certification programme. Involved in RSPO and MSPO assessment since 2014. Involved in audits conducted in for many different companies in Malaysia, Indonesia, Australia, Pakistan, Arab Saudi and Ivory Coast. Completed and certified MSPO Auditor course in 2014 (3rd Batch) held by MPOB. Member of GGC MSPO audit team.

Experienced in handling mineral and peat soil oil palm estate. Knowledgeable in chemical in control of weeds and pest & disease in Oil Palm Plantation sector. Understanding in Industrial relation and labour law. Attended OSH Act 1994 & Regulations and Factories & Machinery Act 1967 & Regulations Training. Participated in Workshop for Oil Palm Growers on Peat at Bogor, Indonesia. Completed and attended Social Impact Assessment Training at Bogor, Indonesia organized by Remark Asia. Also, has attended training for RSPO GHG calculation on year 2015 in Kuala Lumpur.

During this assessment, he assessed on the aspect of Management Commitment, Transparency, Legal, Safety and Health, Social, Stakeholder's Consultation, Workers Welfare, Environment and etc. He is able to speak and understand Bahasa Malaysia and English.

Auditor

Name: **Surenthiran Panneerselvam**

He is graduated from University of Abertay Dundee, Scotland, UK majoring in PgDip/ MSc Oil and Gas Accounting and also graduated from Universiti Tenaga Nasional, Malaysia with a Bachelor's Degree in Accounting. Prior to joining Shell Business Operation as a Senior Cash Management Executive, he worked with Crowe Horwath as Senior Associate Auditor. He is equipped with experience in audit field, lecturing and accounting. Fully trained in Malaysian Sustainable Palm Oil (MSPO2530), Roundtable Sustainable Palm Oil (RSPO), ISO9001:2015 and ISO37001:2016. Completed and certified MSPO auditor course in year 2018 held by SGS Academy and ISO9001:2015 auditor course in year 2017 by TOMC. Able to communicate in both English and Bahasa Malaysia (written and spoken).

During this assessment, he assessed on the aspect of Management Commitment, Safety and Health, Employment Condition, Social and community engagements, stakeholder's consultation, and workers welfare. Able to speak and understand Bahasa Malaysia and English.

Auditor

Name: Mohamad Fitri bin Mustafa

Graduate in degree of agribusiness with more than 8 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in ISCC and MSPO auditing since September 2017. Qualified as Lead Auditor/Auditor for MSPO and ISO 9001. Completed and certified MSPO Auditor course in 2018 held by SGS (M) Sdn Bhd. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English.

During this assessment, he assessed on the aspect of Transparency, stakeholder's consultation, best practices and etc. Able to speak and understand Bahasa Malaysia and English.

2.2. Stakeholder Consultation

During this Annual Surveillance Audit, the audit team has conducted stakeholder consultations to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements. The stakeholder's consultation involving both internal and external stakeholders as to understand the practices in relation to environmental, social performance and their performance with respect to the MSPO requirements. The meeting was conducted without the present of MPOB management.

At the start of meeting, the auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholders before discussions continued. The auditor recorded comments made by stakeholders and verified with the MPOB management before incorporating into the assessment findings. There was no complaint or feedback received during the audit or during the field assessment when interviewing with the external and internal stakeholders.

3. Findings by Principles and Criteria

3.1. Principle 1 : Management commitment and responsibility

Criterion 1 MSPO Policy

Indicator 1 There shall be a policy binding smallholders to MSPO.

Summary Sighted MSPO Policy has been established and signed by Mr. Redza Ashmiruddin bin Roslan as Group Manager for SPOC Q32 Belaga. He has appointed by Dr. Ramlee Moslim (Pengarah Bahagian Penyelidikan Integrasi dan Perkembangan) on 28th March 2018. Replace with Pn Monica Belulok.

In this audit (ASA 1), SPOC Belaga has 71 members totaling 454.60 Ha. Details as per below:

- Existing : 25 members
- New : 46 members
- Total : 71 members

Sighted all personal file for independents smallholders under SPOC Q32 Belaga. Among the sampled taken by audit team were:

1. Hilary Bilong
2. Juliana Joo
3. Elizabeth Ayang
4. Mat Savang
5. George Siru
6. Etc

Latest training conducted for new members on 15th May 2018. Attended by 48 participants. Conducted by MPOB Belaga, MPOB HQ Bangi, Pn Vivilyn (Jabatan Tanah dan Ukur), Cik Siti Hajar (NREB) and En Firdaus (DOSH). Sighted the training records with objective, training material, attendance list, photos and etc.

As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), he will conduct the training for old members on October/November 2018. Action plan has been produced and sighted. Training will be conducted on GAP, Employee Health & Safety, Environmental, Chemical Management and Complaint Prosedur.

In Compliance **Yes** **No** **Not Applicable**

Criterion 2 Continual improvement

Indicator 1 The action plan for continual improvement shall be based on a Consideration of the main social and environmental impact and opportunities of the independent smallholder's group, such as SPOC. Independent smallholders shall be aware of the need to understand the importance of continuous improvement.

Summary Latest training was conducted on 15th May 2018 by MPOB HQ Bangi, and therefore action plan has been produced and sighted. Training will be conducted on:

1. GAP
2. Employee Health & Safety
3. Environmental, Chemical Management
4. Protected Wildlife of Sarawak
5. Complaint Procedure

Mr. Redza, GM highlighted that training were provided during "Program Lawatan LKN - SPOC Belaga".

As per audit and interviewed with smallholders, they are aware and understand the importance of CIP. As evidence, the smallholders are received advice from Group Manager during his visit.

In Compliance **Yes** No Not Applicable

Indicator 2 Group management shall establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the group members.

Summary As per interviewed with Group Manager. He has established a system to improve practice especially on the Good Agriculture Practice based on "Latihan Khidmat Nasihat (LKN)".

Sighted "Program Lawatan LKN – SPOC Belaga" for the year 2018 by Mr. Redza Ashmiruddin Bin Roslan, GM, and action plan of site visit flowchart for the year 2019. As sampled out of 71 participants, 30 participants have been visited by GM and remaining participants will be visited as per scheduled.

1. Davenis Ugang, site visit dated 06.03.2018
2. Kuba Lusat, site visit dated 13.04.2018
3. Seniority Liruh and Simon Abit, site visit dated 20.03.2018
4. Veronica Rose and Hilary Bilong, site visit dated 14.06.2018
5. Lesley Tingang, site visit dated 13.06.2018
6. Lah Lasan, site visit dated 13.07.2018
7. Tedong Meng, site visit dated 30.05.2018

In Compliance **Yes** No Not Applicable

3.2. Principle 2 : Transparency

Criterion 1 Traceability

Indicator 1 The group management shall commit itself to implement and maintain the requirements for traceability

Summary The responsible personal for the traceability is the Group Manager. The traceability of the FFB from the smallholders to the mill was control by the group manager through the weighbridge tickets.

As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), the FFB sales data were collected on monthly basis by him and compiled into "Summary BTS Peserta SPOC Belaga".

The member's database (BRL) available. The traceability mechanism is established and documented as to provide a tracking system of FFB source. As evidence, observed for:

1. Gabriel Irang Balan
2. Joe Among
3. Nyipa Mering
4. Sheila Usang
5. Teresa Sukun

In Compliance **Yes** No Not Applicable

Indicator 2 To keep records of sales and delivery or transportation of fresh fruit bunches.

Summary As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), the Group Manager keeps the copies of the sales records of his members. Group Manager also has established "Summary BTS Peserta SPOC Belaga" record which captured data of FFB harvest monthly.

In Compliance **Yes** No Not Applicable

3.3. Principle 3 : Compliance to legal requirements

Criterion 1 Regulatory requirements

Indicator 1 Independent smallholders shall show awareness of compliance with all applicable local, state, national and ratified international laws and regulations.

Summary SPOC Q32 Belaga has established and updated list of applicable laws and regulations that are applicable for the them as per Document No.: MSPO/SSCC/L-01/SKU – "Senarai Keperluan Undang-Undang"; Date effective on 30th March 2018; Issue No: 1; Rev: 1.

The list is fully covered the requirements that related to MSPO compliance. These documents include information on laws, enforcement bodies, main requirement, environmental aspect, standard and etc.

Sighted well documented List of Laws.

- 1) Akta 127 : Akta Kualiti Alam Sekeliling 1974
 - Akta A1441 : Akta Kualiti Alam Sekeliling (Pindaan) 2012
 - Peraturan Kualiti Alam Sekeliling (Buangan Terjadual) 2005
 - Peraturan Kualiti Alam Sekeliling (Buangan Berjadual)(Pindaan) 2007
 - Perintah Kualiti Alam Sekeliling (Aktiviti Yang Diisytiharkan)(Pembakaran Terbuka) 2003.
 - Garis Panduan Bekas Buangan Terjadual Yang Tidak Tegar
- 2) Akta 149 : Akta Racun MakhluK Perosak 1974

- 3) Akta 155 : Akta Imigresen 1959
- 4) Akta 226 : Akta Taman Negara 1980
- 5) Akta 265 : Akta Pekerjaan 1955
- 6) Akta 350 : Akta Kanak-kanak dan Orang Muda (Pekerjaan) 1966
- 7) Akta 446 : Akta Standard Minimum Perumahan dan Kemudahan Pekerja 1990
- 8) Akta 514 : Akta Keselamatan dan Kesihatan Pekerjaan 1994
- 9) Akta 582 : Akta MPOB 1998
 - Peraturan – peraturan Lembaga Minyak Sawit Malaysia (Perlesenan) 2005
- 10) Akta 716: Akta Pemuliharaan Hidupan Liar 2010
 - Peraturan-peraturan Pemuliharaan Hidupan Liar (Fi Lesen, Permit dan Permit Khas) Pindaan 2013
- 11) Ordinan Sumber Asli dan Alam Sekeliling 1993
 - Perintah Ordinan Sumber Asli dan Alam Sekeliling (Aktiviti Yang Diistiharkan) 1994.
- 12) Enakmen Perlindungan Alam Sekitar 2002

As per interviewed with the smallholders, they know that all the activities must follow the laws and regulations. They already brief and training by Group Manager. As evidence, sighted latest training conducted for new members on 15th May 2018. Attended by 48 participants. Conducted by MPOB Belaga, MPOB HQ Bangi, Pn Vivilyn (Jabatan Tanah dan Ukur), Cik Siti Hajar (NREB) and En Firdaus (DOSH). Sighted the training records with objective, training material, attendance list, photos and etc.

In Compliance **Yes** No Not Applicable

Criterion 2 Land use rights

Indicator 1 Independent smallholders shall demonstrate rights to their landholdings and there is no evidence of major land disputes.

Summary SPOC Belaga have 71 members totaling 454.60 Ha. Of the 71 independent smallholders, only 27 who have their own land grants. The rest are still NCR status.

- The NCR Status land - Smallholder's farm map acknowledge by tuai rumah or ketua kampung.
- Own Land Grants - State lease land title which also included owner's map.

In Compliance **Yes** No Not Applicable

Criterion 3 Customary land rights

Indicator 1 Independent smallholders shall demonstrate customary rights to their landholdings.

Summary As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), most of the land that owned by the smallholders are under Bakun Resettlement project land gazetted by government together with NCR land.

In Compliance **Yes** No Not Applicable

Indicator 2 Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available.

Summary During the audit, observed that map of an appropriate scale showing extent of recognized customary rights land has been prepared by the group manager.

In Compliance **Yes** **No** **Not Applicable**

3.4. Principle 4 : Social responsibility, health, safety and employment condition

Criterion 1 Complaints and grievances

Indicator 1 Independent smallholders shall be able to respond to complaints that are raised by their neighbours or other stakeholders.

Summary MPOB has established SOP "Aduan dan Rungutan". Sighted Document No. MSPO/SSCC/SOP-01/AR; Effective date: 30/03/2018; Issue No: 1; Rev No: 0 as the consultation and communication procedures to relevant stakeholders.

However, one major non-conformity has been raised to SPOC Q32 Belaga. As per site verification and interview with smallholders, they have lodge complaint to Mr. Redza Ashmiruddin bin Roslan (Group Manager), but no form has been documented as per SOP "Aduan dan Rungutan", Document No. MSPO/SSCC/SOP-01/AR; Effective date: 30/03/2018; Issue No: 1; Rev No: 0.

In Compliance **Yes** **No** **Not Applicable**

Indicator 2 The local system should be able to resolve disputes.

Summary Sighted SOP "Aduan dan Rungutan" Document No. MSPO/SSCC/SOP-01/AR; Effective date: 30/03/2018; Issue No: 1; Rev No: 0 as the consultation and communication procedures to relevant stakeholders.

As per interviewed with Mr. Redza. (Group Manager), the independents smallholders or any stakeholders can fill their complaint form at MPOB SPOC Belaga office. Form "Borang Aduan dan Rungutan" and a flow chart "Aduan Pekebun Kecil" are established that capture any complaint and grievance and include the closure of complaint and signed off by the complainant.

In Compliance **Yes** **No** **Not Applicable**

Criterion 2 Employees safety and health

Indicator 1 Independent smallholders need not have a formal health and safety plan but shall ensure that all work practices are safe.

Summary Mr. Redza Ashmiruddin bin Roslan as Group Manager already brief to all smallholders SPOC- Belaga (Q32) regarding the health and safety during their work in the estate. It is part of the Group manager's routine job to brief, enhance and educate the independent smallholders on best agriculture practice.

Sighted program "Majlis Penyerahan Alatan Keselamatan Meraacun (PPE) dan Demonstrasi Menggunakan Peralatan Keselamatan Meraacun kepada 25 orang peserta MSPO SPOC Belaga", dated 5th December 2017 at Pejabat Stesen Penyelidikan MPOB, Sg. Asap, Belaga. Total of 22 participants attended the program, attendance records and photographs were sighted.

Document sighted on the Request for PPE, Chemical Storage and Sign Board for New Smallholders as ref: 03/A/BPIP/UKP/WSwk/Belaga/04.2018, dated: 24th July 2018. Prepared by Fadli Bin Ali.

In Compliance **Yes** No Not Applicable

Criterion 3 Employment conditions

Indicator 1 For independent smallholders with temporary workers, work conditions shall be in accordance with a mutual verbal agreement made transparently and freely.

Summary As per interviewed with Mr. Redza (Group Manager), there are 71 independents smallholders in SPOC Belaga (Q32). He mentioned that some of the independent smallholders engaging temporary workers.

The independents smallholders that engaging temporary workers, the work condition accordance with a mutual verbal agreement (transparently and freely) between both party.

At this moment, Group Manager did not receive any complaint regarding work condition with both party. Smallholders does not engage any workers. They manage the farm themselves or or through "Gotong-royong" concept based on mutual understanding.

In Compliance **Yes** No Not Applicable

Indicator 2 Independent smallholders & group managers shall provide equal opportunity and treatment regardless of race, gender, religion, political affiliation, nationality, social origin or other distinguishing characteristics and shall not engage in or support discriminatory practices in line with national aspiration.

Summary No evidence of discrimination based on race, gender, religion, political affiliation, nationality, social origin or other distinguishing characteristics and shall not engage in or support discriminatory practices in line with national aspiration.

This was confirmed through interview with independent smallholders. They will provide equal opportunity and treatment all stakeholders (internal or external).

In Compliance **Yes** No Not Applicable



Indicator 3 Independent smallholders shall ensure that workers' pay and conditions meet legal standards as per mutual agreements.

Summary

One major non-conformity has been raised to SPOC Q32 Belaga. As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), there are 71 independents smallholders in Q32 SPOC Belaga, Sarawak. As mentioned by the GM, no temporary workers were engaged. However, during site verification with smallholders, there were temporary workers engaged to provide services for smallholders. Thus, there is no records documented on the temporary workers and no evidence shown to auditor that Group Manager has assessed the agreement or legal standards with actual condition.

In Compliance Yes **No** Not Applicable

Indicator 4 In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities, where available and practical.

Summary

As per interview with Mr. Redza Ashmiruddin bin Roslan, there were no quarters provided due to participants manages their site themselves.

In Compliance **Yes** No Not Applicable

Indicator 5 Children and young persons are not to be employed or exploited. The minimum age and conditions of employment shall comply with local, state or national legislation. Work by children is acceptable on family farms, under adult supervision, and when it does not interfere with their education. Children are not to be exposed to hazardous working conditions.

Summary

As per interviewed with Mr. Redza Ashmiruddin bin Roslan, he already briefed to the PK during LKN dated 15th May 2018 at Stesen Penyelidikan MPOB Belaga. Based on the interview resulted from Group Manager, there is no employment of young/ child workers except where the land fully manages by the family members, their children tends to help their parents during school leaves under adult supervision.

In Compliance **Yes** No Not Applicable

Criterion 4 Training and competency

Indicator 1 Independent smallholders are encouraged to seek knowledge to increase their competency in oil palm management.

Summary

Training for members conducted on 15th May 2018 at Stesen Penyelidikan MPOB Belaga. Sighted attendance list record, consist of 48 members attended. During on site visit, smallholders aware on the training and briefing conducted by MPOB.

In Compliance **Yes** No Not Applicable

3.5. Principle 5 : Environment, natural resources, biodiversity, and ecosystem services

Criterion 1 Environmental management plan

Indicator 1 Independent smallholders are expected to be aware of the environmental impact but are not expected to undertake any formal impact assessment unless there is a legal requirement.

Summary SPOC Q32 Belaga has established the "Senarai Keperluan Undang-Undang" by MPOB. Sighted Document No.: MSPO/SSCC/L-01/SKU – "Senarai Keperluan Undang-Undang"; Date effective on 30th March 2018; Issue No: 1; Rev: 1.

Sighted "Senarai Impak Sosial, Persekitaran & Pelan Tindakan. Doc No: MSPO/SSCC/L-04/ISP; Date 30/03/2018: Issue No: 01.

Training on riparian area was conducted by MPOB Officer and Pegawai Tunas Belaga. Training material stated on explanation regarding activities that are not permitted such as manuring and spraying at the riparian area.

Field visit to smallholders' field that have river indicates that they are aware and know about the restricted activities within the riparian area.

In Compliance **Yes** No Not Applicable

Criterion 2 Efficiency of energy use and use of renewable energy

Indicator 1 The use of renewal energy should be applied where possible.

Summary Smallholders do not use renewable energy either from solar, biomass, or biogas sources. No renewal energy sighted during site visit.

In Compliance **Yes** No Not Applicable

Criterion 3 Waste management and disposal

Indicator 1 All waste products and sources of pollution shall be identified by the group manager.

Summary MPOB has established "Senarai Sisa Racun Dan Domestik" - Doc No: MSPO/SSCC/L-03/SRD; Date 30/03/2018: Issue No: 01. Two group of waste products produce from the field activities being identified. Data as per below:

- 1) "Senarai sisa yang terhasil dari input pertanian"
 - Racun perosak
 - Baja
 - Racun rumput
- 2) "Senarai sisa yang terhasil bukan dari input pertanian"
 - Pam Racun
 - Jentera pertanian
 - Peralatan perlindungan keselamatan diri

- Sisa/bahan buangan dari kawasan perumahan

In Compliance **Yes** No Not Applicable

Indicator 2 Independent smallholders shall ensure that waste from the smallholdings is disposed of appropriately. Smallholders shall adopt local and national legislation to dispose of hazardous chemicals and their containers.

Summary Base on the interview with the Group Manager, Mr. Redza Ashmiruddin bin Roslan, no monitoring on the Schedule Waste Management as per SOP on Pengendalian dan Pelupusan Bahan Kimia under document No MSPO/SSCC/SOP-02/BK and Pengurusan Bahan Buangan Terjadual under document No SOP- MSPO/SSCC/SOP-03/BK both dated 30/03/2018 Issue No 1 being conducted thus far.

Record of chemical usage was sighted and available at smallholders buku rekod ladang (BRL). The empty chemical container was stored properly and reuse for chemical spraying

In Compliance **Yes** No Not Applicable

Criterion 4 Natural water resources

Indicator 1 Group managers should ensure that Independent smallholders can demonstrate that they understand the need to maintain the quality and availability of surface and ground water and steps are being taken for its implementation.

Summary As per interviewed with GM, the independent smallholders already attend the training done by "Pegawai Tunas MPOB". Sighted the documentation regarding the Reserve River from "Jabatan Pengairan Dan Saliran (JPS).

Sighted latest training conducted for new members on 15th May 2018. Attended by 48 participants. Conducted by MPOB Belaga, MPOB HQ Bangi, Pn Vivilyn (Jabatan Tanah dan Ukur), Cik Siti Hajar (NREB) and En Firdaus (DOSH). Sighted the training records with objective, training material, attendance list, photos and etc.

In Compliance **Yes** No Not Applicable

Indicator 2 Water harvesting practices should be implemented.

Summary As per interviewed with Group Manager, smallholders collected rain water using containers to be used for chemical spraying.

In Compliance **Yes** No Not Applicable

Criterion 5 Status of rare, threatened, or endangered species and high biodiversity value

Indicator 1 Group manager or relevant government agency should ensure that Independent smallholders are able to show a basic understanding of any species or habitats of concern, together with their conservation needs. Information on protected species and



their habitat with high biodiversity value may be obtained from relevant government agencies, such as the Forestry Department, Forest Research Institute of Malaysia and the Wildlife Department.

Summary Training has been conducted on year 2018 for RTE species, MSPO Training and etc. Training title Laporan Program Kursus Bengkel MSPO (SPOC Belaga) 2018. The training has incorporated Perlindungan Hidupan Liar which was based on the list provided by Sarawak Forestry Cooperation.

Smallholders are briefed on awareness of threatened and endangered species. Among species of animals sighted by smallholders are "Babi Hutan, Landak, Monyet dan lain-lain".

In Compliance **Yes** No Not Applicable

Criterion 6 Zero burning practices

Indicator 1 Independent smallholders shall not practice open burning during land preparation for oil palm cultivation or replanting, unless with the permission of relevant state authorities.

Summary MSPO Policy has been established and signed by Mr. Redza Ashmiruddin bin Roslan (Group Manager) for SPOC Belaga; Doc No: P-01/MSPO-SPOC/2016; Rev 2018.

Stated in the policy for "Perlaksanaan Pembakaran Sifar dan Amalan Pertanian Baik".

There is no open burning sighted during field visits. Smallholders are aware of the open burning policy and have been trained by the group manager.

In Compliance **Yes** No Not Applicable

3.6. Principle 6 : Best practices

Criterion 1 Site management

Indicator 1 Group managers & relevant government agencies should encourage all independent smallholders to implement best practices such as the MPOB Codes of Practice, Malaysian Standards and the Kod Amalan Baik (GAP) Pekebun Kecil.

Summary Sighted Manual Penanaman dan Penyelenggaraan Sawit Untuk Sektor Pekebun Kecil by MPOB, 2001 updated version on July 2004.

There are several best practices sighted during the visit to the smallholder's field such as, good coverage of soft grass, proper stack of palm oil fronds, and pruning of the dry fronds.

In Compliance **Yes** No Not Applicable

Indicator 2 A visual identification or reference system shall be established for each field or block of oil palm planting by group manager (where practical).

Summary The smallholders have erected the plot signage for their respective fields. As evidence:

Owner's Name	Gabriel Irang Balan
Ha	3.00
Year Planted	2014

Owner's Name	Sheila Usang
Ha	7.64
Year Planted	2012

In Compliance **Yes** No Not Applicable

Criterion 2 Economic and financial viability plan

Indicator 1 Group manager shall establish a documented business or management plan to demonstrate attention to economic and financial viability.

Summary Sighted Manual Prosedur Kerja MSPO SPOC, doc no: MSPO/SSCC/GP-01/PEK dated 30/03/2018, for Pelan Daya Ekonomi dan Kewangan. The Manual indicate the GAP to be implemented by the independent smallholders. The plan involves the following:

1. Amalan pertanian baik.
2. Panduan Pembajaan.
3. Panduan Meraacun dan merumpai
4. Rekod aktiviti kebun sawit.
5. Analisa purata pendapatan bersih pekebun kecil mengikut tahun dan bulan.

During site visit, sighted that record for manuring, weeding, spraying and fresh fruit bunch selling are kept by the smallholders.

In Compliance **Yes** No Not Applicable

Criterion 3 Transparent and fair price dealing,

Indicator 1 Independent smallholders are encouraged to communicate with and have consultations with dealers, millers, local communities and other affected or interested parties..

Summary Guidelines for FFB pricing was done by the MPOB and smallholders are aware of the different price of FFB. They also communicated with their surrounding communities, fresh fruit bunch dealers and millers to get the update of the fresh fruit bunch's price.

In Compliance **Yes** No Not Applicable



3.7. Principle 7 : Development of new planting

Criterion 1 Oil palm shall not be planted on land with a high biodiversity value

Indicator 1 Independent smallholders shall not plant oil palm on land with high biodiversity value as identified by local, state and national legislation.

Summary Not applicable. As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), no planting on land with high biodiversity value. However, MPOB has established "Manual Penanaman Dan Penyelenggaraan Sawit Untuk Sektor Pekebun Kecil"; Date on Julai 2004. It can be used as the guideline for any new panting.

In Compliance Yes No **Not Applicable**

Criterion 2 Soil survey

Indicator 1 Independent smallholders should obtain information on soil types, topography and their suitability for oil palm plantings from the relevant government agency. New planting plans should be prepared in consultation with extension service officers.

Summary Not applicable. As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), there is no new planting as of time of audit and this was verified during interview with smallholders.

However, the existing GAP procedures to outline the new planting procedure that to include mechanism to obtaining soil and topography maps from government agencies.

In Compliance Yes No **Not Applicable**

Criterion 3 Extensive planting on steep terrain, marginal and fragile soils

Indicator 1 Extensive planting on steep terrain, marginal and fragile soils, shall be avoided unless permitted by local legislation. Independent smallholders who establish new plantings on steep terrain, marginal and fragile soils, should adopt appropriate and viable conservation measures.

Summary Not applicable. As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), there is no new planting as of time of audit and this was verified during interview with smallholders.

However, MPOB has established "Manual Penanaman Dan Penyelenggaraan Sawit Untuk Sektor Pekebun Kecil"; Date on Julai 2004. It can be used as the guideline for any new panting.

In Compliance Yes No **Not Applicable**

4. Issues Raised by Stakeholders and Findings with respect to each issue

In this stakeholders meeting, external and internal stakeholders were presented which came from local communities, government agencies, workers and etc. In overall, there are lots of positive issues highlighted by the stakeholders during the meeting. There are tremendous improvements either from environmental, social and safety aspect. There are also positive statements given by the participants required aspects in MSPO especially in social aspect. These statements were accepted by the management representative as a good feedback and will do the necessary. Details, as per below:

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	Independent Smallholders A-O	<ul style="list-style-type: none"> • Good understanding about MSPO. • They are very happy with the MPOB management • PPE will be given by MPOB HQ – free. • Permanent signages of his block will provide by MPOB HQ – free. • They were treated equally with no discrimination based on race, gender, religion, political affiliation, nationality, social origin or other distinguishing characteristics and shall not engage in or support discriminatory practices in line with national aspiration. • They have good relationship with the MPOB management. • The MPOB management will provide an assistance whenever they requested. 	No action requires	Positive findings

5. Findings Identified for this audit

5.1. Summary Findings

Major Nonconformities	2
Minor Nonconformities	0
Area of Concern	0
Noteworthy / Positive Comments	3

5.2. Details Non-Conformity

-see Appendix E-

5.3. Details of Area of Concern

-NIL-

5.4. Details of Noteworthy / Positive Findings

1. The Group Manager and independent smallholders are highly committed to comply the MSPO system by adopting continuous improvement programs.
2. Top management (MPOB) continuously establishes directions for the middle and upper management to execute in ways to sustain the MSPO management system in future.
3. Good relationship being maintained with surrounding smallholder and villages.

6. Acknowledgement

6.1. Date of Next Surveillance Audit

The first annual surveillance assessment visit will be scheduled after 12 months of the MSPO Certificate being issued.

6.2. 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 assessment will be approved by the client prior to publication.

6.3. Signing of Report

Signed for on behalf of

SPOC Q32 Belaga

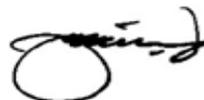


REDZA ASHMIRUDDIN

Name : Pembantu Penyelidik
Role : Unit Khidmat Pengembangan
Date : Siasen Penyelidikan MPOB Belaga
Date : 31st October 2018

Signed for on behalf of

Global Gateway Certifications Sdn. Bhd



Name : Muhammad Syafiq Abd Razak
Role : GGC Lead Auditor
Date : 31st October 2018

Appendix A: MSPO ASA 1 Audit Plan

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
31 st July 2018	08:00 – 09:00	<ul style="list-style-type: none"> ➤ Opening Meeting at MPOB Belaga Office: <ul style="list-style-type: none"> • Presentation by the manager/coordinator • Presentation by Lead Auditor ➤ Confirmation of assessment scope and finalize Audit plan 	MS	MF/SP
	09:00 – 13:00	SPOC Q32 Belaga <ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> • Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MS	MF/SP
	13:00 – 14:00	Lunch	MS	MF/SP
	14:00 – 16:00	<ul style="list-style-type: none"> ➤ Continue document review Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, payment records, complaint records, workers records, training records, permits, CIP, etc. 	MS	MF/SP
	16:00 – 17:00	<ul style="list-style-type: none"> ➤ Verify any outstanding issues, auditor discussion and end of audit for day 1. 	MS	MF/SP

AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
01 st August 2018	08:00 – 13:00	SPOC Q32 Belaga <ul style="list-style-type: none"> ➤ Field Inspection: <ul style="list-style-type: none"> • Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MS	MF/SP
	13:00 – 14:00	<ul style="list-style-type: none"> ➤ Lunch 	MS	MF/SP
	14:00 – 16:00	<ul style="list-style-type: none"> ➤ Continue field inspection <ul style="list-style-type: none"> • Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MS	MF/SP



	16:00 – 17:00	➤ Verify any outstanding issues, auditor discussion and end of audit for day 2.	MS	MF/SP
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AGENDA				
Date	Time	Subjects	Lead Auditor	Auditor
02 nd August 2018	08:00 – 13:00	SPOC Q32 Belaga ➤ Field Inspection: <ul style="list-style-type: none"> • Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MS	MF/SP
	13:00 – 14:00	➤ Lunch	MS	MF/SP
	14:00 – 15:00	➤ Continue field inspection <ul style="list-style-type: none"> • Field inspection, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, conservation area, office, workshop, agriculture best practices, chemical store, and pre-mixing, etc. 	MS	MF/SP
	15:00 – 16:00	➤ Verify any outstanding issues, auditor discussion and end of audit for day 3.	MS	MF/SP
	16:00 – 17:00	Centralize Closing Meeting at MPOB Belaga Office: ➤ Chaired by the audit Lead Auditor <ul style="list-style-type: none"> • Welcome and introduction by the Lead Auditor • Presentation of findings by the audit team • Questions & answers and Final summary by Lead Auditor ➤ End of assessment	MS	MF/SP



Appendix B: List of Stakeholders Contacted

Internal Stakeholders

- 1) Group Manager – Mr. Redza Ashmiruddin bin Roslan
- 2) Penolong Pegawai Penyelidik – Mr. Fadli bin Ali
- 3) Research Officer – Mr. Yusof bin Mohamad

External Stakeholders

Nil

Group Members sampled (15/71)

- Old Members
- 1) Gabriel Irang Balan
 - 2) Joe Among
 - 3) Nyipa Mering
 - 4) Sheila Usang
 - 5) Teresa Sukun
- New Members
- 1) Hilary Bilong
 - 2) Juliana Joo
 - 3) Elizabeth Ayang
 - 4) Mat Savang
 - 5) George Siru
 - 6) Baran Koweng
 - 7) Dennis AK Temenggong
 - 8) Mathius Ajang
 - 9) Catherina Peter
 - 10) Onyo Leju

Appendix C: SPOC Q32 Belaga Group Member's Details

No.	Name	Ha	Year Planted	MPOB Licence	Longitude	Latitude	Address
1	Angkoi Uda	9.32	2016	464026601000	114°03'28.18"	3°05'17.34"	Uma Badeng
2	Blabun Anak Ujan	1.48	2015	535709101000	113°56'46.58"	3°02'40.47"	Uma Nyaving
3	Davenis Ugang	8.11	2014	438210101000	113°51'39.43"	3°03'23.72"	Uma Badeng
4	Egan Ave	6.11	2015	458131601000	113°55'12.28"	3°04'24.73"	Uma Bakah
5	Eric William	14.86	2014	442661201000	114°09'19.73"	3°00'57.44"	Uma Pawa
6	Gabriel Irang Balan	3.00	2014	524457101000	113°55'35.78"	2°56'24.76"	Uma Sambop
7	Greece Laing Lerong	21.08	2014	440395701000	113°55'59.49"	3°03'31.96"	Uma Kelap
8	Jackie Jangan	3.98	2012	499941801000	113°59'04.28"	3°05'47.40"	Uma Badeng
9	James Ibau	2.68	2012	500532101000	113°55'30.80"	3°00'45.78"	Uma Kulit
10	Jaming Bit	1.59	2012	49936201000	113°57'73.63"	3°03'71.71"	Uma Bawang
11	Jamu Ajok	14.92	2015	450984401000	113°59'35.30"	3°05'6.73"	Uma Balui Ukap
12	Joe Among	10.47	2015	446885401000	113°56'46.25"	3°02'43.33"	Uma Nyaving
13	Juben Anak Balan	2.09	2013	505726701000	113°56'11.48"	3°03'59.16"	Uma Kelap
14	Jusip Anyeh	8.11	2013	418619101000	113°58'43.33"	3°06'16.97"	Uma Nyaving
15	Kuba Lusat	10.46	2015	456622801000	113°57'47.54"	2°56'62.24"	Pejabat Daerah Asap
16	Luyu Lawai	11.38	2015	453958101000	113°53'18.19"	3°03'07.40"	Uma Badeng
17	Nait Laban	6.68	2011	478820401000	113°57'27.29"	3°03'15.74"	Uma Lahanan
18	Nyipa Mering	6.89	2011	471471501000	113°55'12.74"	3°00'07.10"	Uma Kelap
19	Selmah Ngau	6.70	2014	524456301000	113°55'22.15"	3°04'22.63"	Uma Bakah
20	Seniority Liruh	2.09	2013	505198601000	114°02'21.50"	2°56'26.34"	Uma Sambop
21	Sheila Usang	7.64	2012	498884001000	114°01'58.93"	2°56'44.27"	Uma Sambop
22	Simon Abit	6.76	2014	43030730100	114°02'21.51"	2°56'35.41"	Uma Sambop
23	Teresa Sukun	10.81	2011	477117401000	113°58'48.63"	3°04'59.25"	Uma Seping
24	Uduk Gong	4.14	2012	482609201000	113°56'51.00"	3°03'52.28"	Uma Lahanan
25	Ulut Libut	4.33	2014	516941301000	113°53'44.40"	3°01'53.72"	Uma Bakah
26	Lebet Gau	2.02	2012	574573201000	113°56'48.20"	3°03'50.67"	Uma Lahanan Sg Asap Belaga
27	Juin Elli	1.43	2015	471862101000	113°57'19.12"	3°02'55.98"	Uma Lahanan Sg Asap Belaga
28	Veronica Rose	5.77	2013	475455501000	114°11'57.46"	3°00'39.00"	Uma Pawa Long Urun
29	Lesley Tingang	3.38	2010	505052101000	114°12'22.93"	3°1'02.71"	Uma Pawa Long Urun
30	Hilary Bilong	22.39	2002/ 2006/ 2007	242959301000	114°12'47.30"	3°01'03.57"	Uma Pawa Long Urun
31	Leni Bengo	1.85	2014	585848101000	113°54'07.60"	3°03'46.96"	Uma Balui Ukap Sg Asap Belaga



32	Juliana Joo	1.25	2015	556129101000	113°54'06.90"	3°03'48.73"	Uma Balui Ukap Sg Asap Belaga
33	Jok Ajang	4.04	2015	535707401000	113°54'17.53"	3°03'30.53"	Uma Balui Ukap Sg Asap Belaga
34	Louis Nyagong Lenjau	7.00	2015	522038901000	114°00'22.60"	3°03'46.19"	Uma Seping Long Bala
35	Jero Lepun	5.03	2012/ 2016	452981101000	114°2'51.97"	3°04'41.73"	Uma Badeng Sg Asap Belaga
36	Anchau Sua	3.40	2014	490360701000	113°58'38.65"	3°07'23.12"	Uma Badeng Sg Asap Belaga
37	Enget Bato	4.05	2010	585849901000	113°59'41.46"	3°09'49.40"	Uma Badeng Sg Asap Belaga
38	Elizabeth Ayang	5.61	2008	558358901000	113°56'14.16"	3°8'20.93"	Uma Sambop Long Semutut
39	Lah Lasan	4.33	2008/ 2012	456589201000	113°54'41.28"	3°04'03.12"	Uma Daro Sg Asap Belaga
40	Galoh Jen0	2.40	2012	In Progress	113°59'24.96"	2°55'52.79"	Uma Daro Sg Asap Belaga
41	Lah Imang	7.70	2011	590625135339	113°58'21.57"	3°04'36.14"	Uma Balui Ukap Sg Asap Belaga
42	Tedong Meng	2.00	2015	599581001000	113°56'14.16"	3°8'20.93"	Uma Ukit Sg Asap Belaga
43	Mat Savang	2.02	2015	508701801000	113°56'27.61"	3°7'44.08"	Uma Ukit Sg Asap Belaga
44	George Siru	3.38	2008/ 2015	503302301000	113°56'20.38"	3°8'2.68"	Uma Ukit Sg Asap Belaga
45	Negulun Nehong	2.69	2013	591019901000	113°56'14.72"	3°8'5.70"	Uma Ukit Sg Asap Belaga
46	Liah Siru	3.80	2011/ 2012	599564001000	113°56'45.23"	3°7'53.93"	Uma Ukit Sg Asap Belaga
47	Rusan Ming	7.40	2011/ 2013	599580101000	113°56'30.47"	3°8'3.82"	Uma Ukit Sg Asap Belaga
48	Baran Koweng	2.00	2015	570490401000	113°56'24.44"	3°7'48.37"	Uma Ukit Sg Asap Belaga
49	Kenny Mike	1.35	2012	558537901000	114°2'58.77"	2°58'2.02"	Uma Ukit Sg Asap Belaga
50	Suwo Jok	1.21	2011	619468001023	113°56'45.04"	3°7'32.80"	Uma Ukit Sg Asap Belaga
51	Roba Surang	1.68	2010	564651301000	113°56'50.58"	3°7'44.73"	Uma Ukit Sg Asap Belaga
52	Lawrence Nehong	3.38	2012	503401101000	113°56'22.75"	3°8'16.40"	Uma Ukit Sg Asap Belaga
53	Nyelang Uvat	1.99	2012	579531401000	113°55'18.39"	3°07'08.46"	Uma Juman Sg Asap Belaga
54	Edi Mering	2.69	2012	584203701000	113°55'59.22"	3°07'32.35"	Uma Juman Sg Asap Belaga
55	Dennis Ak Temenggong	3.00	2010	485399501000	113°55'34.25"	3°07'34.09"	Uma Juman Sg Asap Belaga



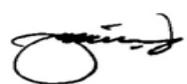
56	Bang Ibon	4.12	2014	525652901000	113°55'42.86"	3°0'34.77"	Uma Bakah Sg Asap Belaga
57	Cau Tuban	5.45	2013	579206401000	113°53'36.51"	3°1'4.80"	Uma Bakah Sg Asap Belaga
58	Enggan Jok	4.07	2013/ 2014	542775701000	113°54'58.13"	3°4'35.35"	Uma Bakah Sg Asap Belaga
59	Robert Lien	3.29	2014	542771401000	113°56'37.31"	3°1'10.20"	Uma Bakah Sg Asap Belaga
60	Tiken Gon	2.50	2011	533357401000	113°55'26.41"	3°0'40.86"	Uma Bakah Sg Asap Belaga
61	Ngang Kieng	1.31	2013	524979401000	113°55'19.15"	3°3'53.39"	Uma Bakah Sg Asap Belaga
62	Roger Chong Ken Shen	14.86	2014	522139301000	114°3'8.67"	3°5'37.72"	Uma Bakah Sg Asap Belaga
63	Coton Padan	22.20	2013	484182201000	113°56'57.22"	2°58'36.68"	Uma Bakah Sg Asap Belaga
64	Langie Wok	1.38	2009	484872001000	113°53'42.46"	3°1'57.46"	Uma Bakah Sg Asap Belaga
65	Mathius Ajang	5.66	2012	488860801000	113°54'57.70"	3°4'36.78"	Uma Bakah Sg Asap Belaga
66	Lawing Luat	10.36	2006/ 2008/ 2011/ 2012	409118101000	113°55'11.55"	3°4'4.78"	Uma Bakah Sg Asap Belaga
67	Catherina Peter	3.09	2010	493680701000	113°54'3.36"	2°58'27.75"	Uma Sambop Long Semutut
68	Monica Belulok	22.82	2012	502632901000	113°54'35.79"	2°57'37.57"	Uma Sambop Long Semutut
69	Belulok Lusat	32.75	2008	403074301000	114°2'21.70"	2°56'13.89"	Uma Sambop Long Semutut
70	David Belulok	6.90	2012	494730201000	113°55'40.87"	2°56'44.00"	Uma Sambop Long Semutut
71	Onyo Leju	7.92	2008/ 2009	498888201000	114°24'28.18"	2°56'18.55"	Uma Sambop Long Semutut



Appendix D: Non-Conformity details

Company Name		SPOC Q32 Belaga		
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard		Part 2: General Principles for Independent Smallholders		
Client Number		GGC-B2-MSPO-2017		
NC No. / Ref.	B2/MSPO/MAJOR/01	Date Detected		02 nd August 2018
Site(s) concern	SPOC Q32 Belaga	Target Completion		90 Days
Normative Reference and Requirement	4.4.1.1 Major Independent smallholders shall be able to respond to complaints that are raised by their neighbours or other stakeholders.			
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	Complaints were not documented			
NC Objective Evidence:				
As per site verification and interview with smallholders, they have lodge complaint to Mr. Redza Ashmiruddin bin Roslan (Group Manager), but no form has been documented as per SOP "Aduan dan Rungutan", Document No. MSPO/SSCC/SOP-01/AR; Effective date: 30/03/2018; Issue No: 1; Rev No: 0.				
Lead Auditor Signature:		Client Signature:		
		 REDZA ASHMIRUDDIN Pembantu Penyelidik Unit Khidmat Pengembangan Stesen Penyelidikan MPOB Belaga		
Root cause Analysis (to be filled by client):				
Group Manager for SPOC Q32 Belaga was a new staff for MSPO certification, not aware that all complaint must be documented. But all complaint and grievances made by Smallholder, Mr Redza successfully to solve it.				
Corrective action planned (to be filled by client):				
i. Complaint form was given to smallholder on 17 th October 2018 refer to attachment 1. ii. Short briefing on how to fill up form also had been done.				
Preventive Action (to be filled by client):				
Yearly Programmed was established. Every Smallholder will be visited. From there, Group manager will collect all the complaint and the grievances from smallholder. (Refer attachment 2 for yearly programmed).				

Review of corrective/preventive action (to be filled by Lead Auditor)	
All the evidence submitted by Mr. Redza Ashmiruddin bin Roslan as Group Manager were found adequate and therefore this major non-compliance is closed.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date Verified: 22 nd October 2018	Lead Auditor Signature: 

Company Name	SPOC Q32 Belaga			
Stage of Audit	Initial Stage 1	<input type="checkbox"/>	Initial Stage 2	<input type="checkbox"/>
	Surveillance	<input checked="" type="checkbox"/>	Recertification	<input type="checkbox"/>
Audited Standard	Part 2: General Principles for Independent Smallholders			
Client Number	GGC-B2-MSPO-2017			
NC No. / Ref.	B2/MSPO/MAJOR/02	Date Detected	02 nd August 2018	
Site(s) concern	SPOC Q32 Belaga	Target Completion	90 Days	
Normative Reference and Requirement	4.4.3.3 Major Independent smallholders shall ensure that workers' pay and conditions meet legal standards as per mutual agreements.			
NC Type	<input checked="" type="checkbox"/> Major <input type="checkbox"/> Minor <input type="checkbox"/> Area of Concern			
Description of Non-Conformity	No evidence sighted for temporary workers' on amount paid as per legal standards and mutual agreements.			
NC Objective Evidence:				
As per interviewed with Mr. Redza Ashmiruddin bin Roslan (Group Manager), there are 71 independents smallholders in SPOC Q32 Belaga, Sarawak. As mentioned by the GM, no temporary workers were engaged. However, during site verification with smallholders, there were temporary workers engaged to provide services for smallholders.				
Thus, there is no records documented on the temporary workers and no evidence shown to auditor that Group Manager has assessed the agreement or legal standards with actual condition.				
Lead Auditor Signature: 		Client Signature:  REDZA ASHMIRUDDIN Pembantu Penyelidik Unit Khidmat Pengembangan Stesen Penyelidikan MPOB Belaga		
Root cause Analysis (to be filled by client):				

Lack of communication with smallholder.	
Corrective action planned (to be filled by client):	
For smallholder that have temporary workers, Group Manager had given a form agreement for engaging workers (Refer Attachment 3).	
Preventive Action (to be filled by client):	
i. Group Manager has identified SPOC members that engaged temporary workers (Refer Attachment 4). From 71 Smallholder SPOC Q32, only 21 Smallholder engaged temporary workers. ii. All the agreement will be collected and compile it on personnel file that will be hold by Group Manager.	
Review of corrective/preventive action (to be filled by Lead Auditor)	
All the evidence submitted by Mr. Redza Ashmiruddin bin Roslan as Group Manager were found adequate and therefore this major non-compliance is closed.	
NC Closed: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Site verification: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date Verified: 22 nd October 2018	Lead Auditor Signature: 

