



Assessment Report

Date: 23 OCT to 25 OCT

2017

[Disclaimer: The audit report has been generated to reflect the compliance of the company toward the MSPO standard and every criterion's have been in every effort taken to ensure the accuracy of the assessment and reporting produced. As the assessment is been carried out based on sampling, certain areas or processes may not be able to verified on its compliances.]

MSPO 2530:2013
Part 2

Company name	SMALLHOLDER PALM OIL CLUSTER (N4 PASIR PANJANG)
Address	PEJABAT PEJABAT MPOB CAWANGAN SEREMBAN, No.7G, JALAN S2B1, LAKE VIEW SQUARE, 70300 SEREMBAN, NEGERI SEMBILAN.
Report no	MS17MM003
Status of audit	Main Assessment If surveillance NA

Section A General Information

General	
Audit objectives	<input checked="" type="checkbox"/> To verify that the system initial implementation is in accordance to requirements of the standard adopted. <input type="checkbox"/> To verify that the system implementation is continuously in accordance to the requirements of the standards adopted. <input type="checkbox"/> To verify that the system implementation is continuously after and in third years of implementation is in accordance to the standards adopted. <input type="checkbox"/> Other, (please specify)
Integrate Assessment	No
Issue of certificate	Yes

Scope of Certification	
Scope of certification in English	The provision of planting and harvesting of small land owner palm oil planters
Requirement not being applicable	Principle 7: New Planting
Justification	No new planting
Other language than above	NA
Changes from Previous registration	No
Extension/changes of scope date	NA

Contact Details	
Management Representative	Siti Norliyana
Alternate contacts	-
Management Representative contact no.	6019 258 5800
E-mail address	norliyana@mpob.gov.my
Fax Number	06-601143
Fixed Line Number	06-6011289
NO OF SPOC MEMBERS	58

Section B Previous Audit Result

The result of the last audit system have been reviewed, in particular to ensure appropriate correction and corrective action has been implemented to address any nonconformities identified. This review has concluded that:

<input type="checkbox"/>	No nonconformities have been raised during last assessment.
<input type="checkbox"/>	Any nonconformities identified during last previous audit have been corrected and the corrective action continuous to be effective.
<input type="checkbox"/>	The management system has not adequately addressed non conformity identified during previous audit activities and the specific issue has been re-defined in the nonconformity section of this report.

Section C Conclusion

The audit team conducted a process based audit focusing on significant aspects/risk objectives required by the standard(s). The audit methodology used is based on 3P which were People, Paper and Practice.

The audit team concludes and express

CONGRATULATION and has

- CONGRATULATION however some processes need to address non-compliance(s) but others has
- SORRY and the organization has not established and maintained its management system in line with the requirements of the standard and

- demonstrated
- not demonstrated

the ability of the system to systematically achieved agreed requirements within the scope of the organizations.

Base on the record, there is/are NIL unresolved issue.

Therefore the audit team recommends that based on the results of this audit and the system's demonstrated state of development and maturity, management system certification be:

- Granted (initial certification or recertification)
- Granted upon the acceptance of the noncompliance(s)
- Continued (surveillance)
- Continued (surveillance) upon the acceptance of the noncompliance(s)
- Withheld
- suspend until satisfactory corrective action(s) is completed
- Others (please specify)

Note :

The assessment and recommendation for the initial or continue was based on random samples and therefore nonconformities may exist which have not been identified. All the pages should be attached if the organization wishes to copy and delivered to the interested party.

Section D (For Recertification only)

1	The company has demonstrated effective implementation and maintenance/improvement on its management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
2	The internal audit program has been fully implemented and demonstrates its effectiveness as a tool for maintaining and improving the management system.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The management review process demonstrates its capability to ensure the continuing suitability, adequacy and effectiveness of the management system	<input type="checkbox"/> Yes <input type="checkbox"/> No
4	Throughout the audit process, the management system demonstrates overall conformance with the requirements of the audit standard	<input type="checkbox"/> Yes <input type="checkbox"/> No

Section E Auditor and Auditees Names

CCI Assessors	Attendance during opening and closing meeting	
Team leader	Name	Designation

Mohamad Zulkefli bin Md. Isa	Siti Norliyana bt Kadirun Amir Hakim Amir Nordin Nurul Fathiah Mohd Syukri Others MPOB Representatives	Group Managers MPOB, HQ MPOB, HQ
Team member		
Mohd Rizal Kassim		
Trainee auditor		
1) Mohd Hafizzudin 2) Badrul Hisham		
Observer		
Mark Mariba (DSM) Nik Syazwan (DSM)		

Section F Audit Process Matrix

Next Audit Matrix (legend "☒" plan to cover & covered, "☐" for uncover)

Planned month & year	10/2017	09/2018	09/2019	09/2020	09/2021
Internal Audits	☒	☒	☒	☒	☒
Stakeholder consultation / survey	☒	☒	☒	☒	☒
Use of logo	☒	☒	☒	☒	☒
Follow-up from previous audit finding	☒	☒	☒	☒	☒
4.1 Management Commitment & Responsibility					
4.1.1 MSPO Policy	☒	☒	☒	☒	☒
4.1.2 Continual Improvement	☒	☒	☒	☒	☒
4.2 Transparency					
4.2.1 Traceability	☒	☒	☒	☒	☒
4.3 Compliance to legal requirements					
4.3.1 Regulatory requirements	☒	☒	☒	☒	☒
4.3.2 Land use rights	☒	☒	☒	☒	☒
4.3.3 Customary rights	☒	☒	☒	☒	☒
4.4 Social responsibility, health, safety and employment condition					
4.4.1 Complaints and grievances	☒	☒	☒	☒	☒
4.4.2 Employees safety and health	☒	☒	☒	☒	☒
4.4.3 Employment conditions	☒	☒	☒	☒	☒
4.4.4 Training and competency	☒	☒	☒	☒	☒
4.5 Environment, natural resources, biodiversity and ecosystem services					
4.5.1 Environmental management plan	☒	☒	☒	☒	☒
4.5.2 Efficiency of energy use and use of renewable energy	☒	☒	☒	☒	☒
4.5.3 Waste management and disposal	☒	☒	☒	☒	☒
4.5.4 Natural water resource	☒	☒	☒	☒	☒
4.5.5 Status of rare, threatened, or endangered species and high biodiversity value	☒	☒	☒	☒	☒
4.5.6 Zero burning practices	☒	☒	☒	☒	☒

4.6 Best Practices					
4.6.1 Site management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.2 Economic and financial viability plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.6.3 Transparent and fair price dealing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.7 Development of new planting					
4.7.1 Oil palm shall not mplanted on land with a high biodiversity value	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.2 Soil survey	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.7.3 Extensive planting on steep terrain, marginal and fragile soils	<input type="checkbox"/> NA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assessment man days for the next assessment : _md. Recertification:

Note: Recertification should be carry out minimum 2 months prior to the expiry of the certificate

Section G Audit Note

Summary of Area Audited

BUSINESS AREAS	DETAILS OF AUDITED SUMMARY	
Auditor	Date	Time
ZU	23/10/2017	9.30
<p>Opening Meeting</p> <ul style="list-style-type: none"> a) introduction of the participants, including an outline of their roles; b) confirmation of the scope of certification; c) confirmation of the audit plan (including type and scope of audit, objectives and criteria), any changes, and other relevant arrangements with the client, such as the date and time for the closing meeting, interim meetings between the audit team and the client's management; d) confirmation of formal communication channels between the audit team and the client; e) confirmation that the resources and facilities needed by the audit team are available; f) confirmation of matters relating to confidentiality; g) confirmation of relevant work safety, emergency and security procedures for the audit team; h) confirmation of the availability, roles and identities of any guides and observers; i) the method of reporting, including any grading of audit findings; j) information about the conditions under which the audit may be premature terminated; k) confirmation that the audit team leader and audit team representing the certification body is responsible for the audit and shall be in control of executing the audit plan including audit activities and audit trails; l) confirmation of the status of findings of the previous review or audit, if applicable; m) methods and procedures to be used to conduct the audit based on sampling; n) confirmation of the language to be used during the audit; o) confirmation that, during the audit, the client will be kept informed of audit progress and any concerns; p) opportunity for the client to ask questions. <p>Closing Meeting</p> <ul style="list-style-type: none"> a) informing the client that the audit evidence collected was based on a sample of the information; thereby introducing an element of uncertainty b) the method and timeframe of reporting, including any grading of audit findings; c) the certification body's process for handling nonconformities including any consequences relating to the status of the client's certification; d) the timeframe for the client to present a plan for correction and corrective action for any nonconformities identified during the audit; e) the certification body's post audit activities; f) information about the complaint handling and appeal processes. g) Any diverging opinion that are not resolved. h) opportunity for the client to ask questions. 		
Executive Summary		
<p>The audit was based on the MSPO2503:2013 Part 2 Standard, procedure and and applicable requirements. There is no issue during the First Assessment Visit (FAV) conducted on 09-10/08/2017 and found all the required document, procedure and form are available.</p> <p>The audit are divided into two session which first session is a documentation review on the Day 1 and second session is the site visit on the Day 2 and Day 3. This audit conducted based on the sampling and 11 smallholders been chosen and involve in this assessment activity. Noted that all the SPOC member are still in the awareness stage and all the implementation are still monitored by Group Manager.</p>		

The audit was lead by Mr Mohamad Zulkefli who are have almost 8 years in the sustainable certification and other management system certification such as RSPO, ISCC, ISO 14001, ISO9001 etc and also attended the MSPO Lead Assessor Course conducted by SIRIM. Co auditor is Mr Mohd Rizal Kassim who are experienced in the RSPO and ISCC Certification for almost 7 years and attended the MSPO Lead Assessor Course conducted by SIRIM.

The list of selected SPOC members as a sampling are listed as below:

- a) Mohd Sharif bin Yakim
- b) Jalil bin Sukur
- c) Norsiah binti Derani
- d) Kesuma binti Abdul Wahab
- e) Jaafa bin Hasan
- f) Jelmah binti Sampul
- 7) Kamisah binti Aman
- 8) Mohammad Amirul Shazuan
- 9) Wong Hock Hai
- 10) Md Akhir bin Jantan
- 11) Chua Ka Chai

Audit Summary

The audit was cover all the MSPO 2503:2013 Part 2 Principle & Criterion and the summary of the finding are as below:

Principle 4.1. Management Commitment & Responsibility

SPOC has implementing the system according to Malaysian Sustainable Palm Oil (MSPO) demonstrated by the established SOP. It addressed the procedures and instructions to comply with the requirements of MSPO. Group manager MSPO has established training and briefing as per Laporan Taklimat MSPO to all smallholders. Sighted all SPOC members was signed the Perakuan Menyertai Pensijilan MSPO and attached together with the MSPO Policy. During site visit and interview sesseion with the smallholders, sighted there a aware with the standard requirement and implemenent to their palm oil activities.

Principle 4.2 Transparency

All the smallholders in SPOC Pasir Panjang has record FFB received from smallholder and summaries on monthly basis. Record of sales and delivery of FFB has recorded weighbridge ticket and FFB receipt of payment statement on monthly basis.

Principle 4.3 Compliance to legal requirement

Noted that Senarai Keperluan Undang-Undang has been established effective date 1st April 2016, No Dokumen: L-02/SKU/2016. All SPOC have a valid license as per MPOB requirements Akta Lembaga Minyak Sawit Malaysia 1998. During interview all smallholders show their awareness on the legal & regulation such as OSHA 1994, EQA 1974, etc. Noted from the land title out of 58 smallholders, 2 land titles is stated as "PADI", 9 land titles stated as "GETAH" and the other is stated as "KELAPA SAWIT", "DUSUN" and "TIADA".

Principle 4.4 Social responsibility, health, safety and employment condition

No complaint by stakeholder was recorded since the implementation of MSPO Scheme by SPOC Pasir Panjang. Stakeholder consultation was conducted on 31/10/2017 and participate by JKKK Chairman, representative from Persatuan Nelayan and crop dealers. No issue were raised during the stakeholder consultation. No occupational accident and health issue were reported since and there have no complaint raised regarding wage, payment, contract and ect. resulted all mutual verbal agreement has been agreed by both parties before work start. Group Manager organised the required training to give an awareness to all SPOC member in occupational safety and health issue. Noted from interview majority of the smallholders are practised the Triple Rinsing Method to all their empty used pesticide container before sold to the solid waste collectors.

Principle 4.5 Environment, natural resources, biodiversity and ecosystem services

Awareness training was conducted in order to give an understanding of sensitive area (river, steep, slope, forest, swamp area) and there is a format to monitor the usage of diesel. Noted all the smallholdings is far from the natural water resources such as river or water catchment. All smallholders been brief on the awareness of wild life by the PERHILITAN Negeri Sembilan and during interview they show on the awareness on the handling of the conflict with the wildlife. No issue on the conflict with the wild life reported.

Principle 4.6 Best Practice

The group manager are responisible to visit the smallholders field and do the auditing to ensure they comply with all the requirement from the Code of Practice- Good Agriculture Practice (CoPGAP). From the sampling sighted all the smallholders was done the audit and found all smallholders was comply with the CoPGAP requirement. During site visit, sighted smallholders practice the blanket spraying at their field which is not follow the best practice requirement.

Principle 4.7 Development of New Planting

Not Applicable.

Stakeholder Consultation

Stake holder consultation conducted on 31/11/2017 and the attendance list as below:

- a) Pn Soraya- Persatuan Nelayan Pasir Panjang
- b) En Mat Isa- Ketua Kpg Pasir Panjang
- c) En Mat Nazim- PA Adun Pasir Panjang
- d) Lim Kiam Kok- Pasir Panjang Oil Trading

issue raised during the stakeholder consultation as below:

- a) The interviewed people (Pejabat Perikanan , Pejabat DUN and Ketua Kg) was not aware on the MSPO.
- b) Pejabat DUN will assist on the land tittle issue – regarding land status
- c) There is a few SPOC nearby kampung however as informed by Ketua Kampung there is no pollution such as empty pesticide container at river or chemical pollution. Jabatan perikanan also mentioned no complaint receive regarding pollution and effected the fisherman.
- d) There is some unidentified species (biodiversity) surrounding kampung Linggi but no specific training or briefing conducted to protect the species.
- e) Ketua Kampung suggested MPOB should brief and meet them to brief on the MSPO requirement
- f) No issue raised from the palm oil dealers (Pasir Panjang Oil Trading) and no issue on the palm oil price and currently they are still stick with the verbal mutual agreement.

Introduction

SPOC Pasir Panjang was established and manage by TUNAS, MPOB Cawangan Seremban with 58 smallholder participate to apply the MSPO Certification Scheme with total planted hectarage is around 120.7864 hectares. The list of the smallholder and the detail of each smallholder as per Appendix 1. Noted there is 58 smallholder are participate in this (N10) Pasir Panjang Sustainable Palm Oil Cluster (SPOC). SPOC Pasir Panjang was managed and monitored by TUNAS, MPOB Cawangan Seremban. All member of SPOC Pasir Panjang been certified and audited for the Code Of Good Agriculture Practice by MPOB Cawangan Seremban. The SPOC Pasir Panjang was located at Pasir Panjang, Linggi and Port Dickson.



Audit Checklist

P1: Management Commitment & Responsibility		
Criterion 1	Malaysian Sustainable Palm Oil (MSPO) Policy	
Indicator	Requirement	Findings
4.1.1.1	There shall be a policy binding smallholders to MSPO	<p>Verified MSPO Policy for Kelompok Minyak Sawit Mampan (SPOC) N4 Pasir Panjang dated mei 2016 Julai. Veirified the Policy content of commitment smallholders to commit with complaint & grievances, safety, environmental, GAP etc.</p> <p>Sighted and verified that the smallholders signed the Perakuan Menyertai Pensijilan MSPO attached together with the MSPO Policy and sample as below</p> <ul style="list-style-type: none"> a) Jaafa bin Hassan b) Kesuma bt Abdul Wahab- dated 27/05/2017 c) Mohd Sharif bin Yakim d) Norsiah binti Derani dated 23/05/2017 e) Wong Hock Hai f) Md Akhir bin Janta dated 21/06/2017 g) Mohammad Amirul Shazuan h) Jelmah binti Sampul dated 24/05/2017 i) Chua Ka Chai j) Kamisah binti Aman k) Jalil bin Sukur.
Criterion 2	Continual Improvement	
Indicator	Requirement	Findings
4.1.2.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the smallholders group. Independent smallholders shall be aware of the need to understand the importance of continual improvement.	<p>Sighted Group Managers estbalish the continual improvement plan for stakeholder and the issue was identified during the Group Manager visit and verified the improvement plan as below:</p> <ul style="list-style-type: none"> a) Jalil bin Sukur- pesticide, land titile, schedule waste, PPE etc. b) Kamisah binti Aman- chemical store, land titile, schedule waste, domestic waste etc. c) Chua Ka Chai- pesticide. d) Jelmah binti Sampul- chemical store, pesticide, schedule waste, PPE. e) Mohammad Amirul- chemical store, schedule waste, domestic waste, PPE.
4.1.2.2	The group manager shall establish a system to improve practices in line with new information and techniques and disseminating this information throughout the group members	<p>Group Managers conducted the Good Agriculture Practices (GAP) visit and sample as below:</p> <p>All the picture evidence have been upload on the MPOB system.</p> <p>Sighted on the Senarai Semak Pensijilan MPOB Amalan Pertanian Baik (GAP) Pekebun Kecil Sawit</p> <ul style="list-style-type: none"> a) Md Akhir bin Jantan- assessment done 23/08/2017 b) Mohammad Amirul Shazuan- assessment date on 23/08/2017 c) Norsiah binti Derani- assessment date on 07/06/2017 d) Mohd Syarif bin Yakim- assessment date on 20/06/2017 e) Norsiah binti Derani- assessment date on 07/06/2017 f) Jalil bin Sukur- assessment date on 07/06/2017.
P2: Transparency		
Criterion 1	Traceability	
Indicator	Requirement	Findings
4.2.1.1	The group management shall commit itself to implement and maintain the requirements for traceability	<p>Seen Group Managers establish the smallholders data base with appropriate information of address, IC umber, lot number, land "syarat nyata", GPS Coordinat etc.</p> <p>The list of all smallholders are as Appendix 1</p>

4.2.2.1	To keep records of sales, delivery or transportation of FFB shall be maintained.	During site visit sighted that records of sales, delivery or transportation of FFB have been keep with proper filing. Evidence :- a) Kesuma binti Abdul Wahab Self-Billed Invoice# 1, Ticket# 169061 dated 18/09/2017, Weight= 5.28 ton, Price= RM550.05 b) Mohd Syarif bin Yakim Self-Billed Invoice# 52, Ticket# 169018 dated 15/09/2017, Weight= 2.52 ton, Price= RM550.05 c) Norsiah binti Derani Supplier Account:S0119 dated 01/09/2017, weight= 7.16 Ton, Price= RM550.05
P3: Compliance to legal requirements		
Criterion 1	Regulatory requirements	
Indicator	Requirement	Findings
4.3.1.1.	Independent smallholders shall show awareness of compliance with all applicable local, state, national and ratified international laws and regulations.	Interviewed the smallholders and found they aware with the legal requirement such as licensing validity, land title, safety requirement and scheduled waste disposal.
Criterion 2	Land used right	
Indicator	Requirement	Findings
4.3.2.1	Independent smallholders shall demonstrate rights to their land holdings and ther is no evidence of major land disputes.	Verified the location, hectares, license and land title as below: License: a) Mohd Sharif bin Yakim i) License# 580234-501000 ii) No hak milik:GM 902 iii) Kategori Penggunaan Tanah: Rubber b) Jalil bin Syukur i) MPOB Licnese: 507234-701000. ii) No hak milik: GM 634 iii) Kategori Penggunaan Tanah: Rubber c) Norsiah binti Derani i) MPOB License: 540985-601000 i) No hak milik: Gm 914 iii) Syarat Nyata: rubber d) Kesuma binti Abdul Wahab i) MPOB License: 539478-601000 ii) No hak milik: GM901, iii) Syarat Nyata: Kelapa Sawit Sighted that there is fencing pole, neighbour estate road and boundary stone have been shown by the owner during site visit. Evidence : Also sighted that,there are 21 of smallholder land are not in follow the land term and condition. There are no action plan has been develop from group smallholder manager for counter the problem.
Criterion 3	Customary rights	
Indicator	Requirement	Findings
4.3.3.1	Independent smallholders shall be demonstrate rights to their land holding.	As per 4.3.2.1 Verified the boundary stone and land marking during site visit and found satisfactory as per land title.

4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.	As per 4.3.2.1
P4: Social responsibility, health, safety and employment condition		
Criterion 1	Complaints and grievances	
Indicator	Requirement	Findings
4.4.1.1	Independent smallholders shall be able to respond to complaints that are raised by their neighbours or other stakeholders	Established the complaints procedures Doc# SOP-01/AR/2016 effective date 01/04/2016. Procedure has been separate for group manager and smallholder. There are no complaint from that has been raise from smallholder and stakeholder from complaint are sighted
4.4.1.2	The local system should be able to resolves disputes.	Establish the Borang Aduan Dan Rungutan Doc# F-01/AR/2016 effective date 01/04/2016 Noted the form already distributed to Penghulu and all SPOC members. Based on the interview with group manager,Group manager did not understand the time frame should be given to respond fro any stakeholder comment or complaint.(OBS)
Criterion 2	Employees safety and health	
Indicator	Requirement	Findings
4.4.2.1	Independent smallholders need not have a formal health and safety plan but shall ensure that all work practices are safe.	1)Safety procedure,has been establish(SOP-03/AK/2016, 2)PPE distrubution to Smallholder is under Group Manager fro time being,Paper work for puchasing PPE to smallholder are available.memordodum date on 5 September 2017. 3)Training for smallholder are provided date on 08.05.2017 MSPO 50 Members Noted from interview to all 11 smallholders they show the awareness on the usage of PPE during spraying, manuring and harvesting.
Criterion 3	Employment	
Indicator	Requirement	Findings
4.4.3.1	For independent smallholders with temporary workers, work conditions shall be in accordance with a mutual verbal agreement made transparently and freely.	Group Manager has establish(Terma Pergajian pekerja). form to ensure that workers payment according to the requirement. Site visit 1) Contract agreement with for the harvesting, spraying, etc Sampling: a) Jaafa bin Hassan b) Jemah binti Sampul c) Kamisah binti Aman d) Mohamad amirul Shazuan b.Samsudin. all sample above are not using contract workers for harvesting found out that there for spraying,activities using contractor.evident payment are given.there are no written aggrement. Sampling 1)Wong Hock Hai 2)Md Akhir Jantan 3)Chua Ka Chai Sighted that form of agreement provided by MPOB have

		been distributed to the SPOC member. Somehow some of the smallholder still did not perform the agreement with the workers
4.4.3.2	Independent smallholders shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political affiliation, nationality, social origin or other distinguishing characteristics and shall not engage in or support discriminatory practices in line with national aspiration.	No discrimination sighted during the site visit.
4.4.3.3	Independent smallholders shall ensure that workers' pay and conditions meet legal standards as per mutual agreements	During site visit and interview with the smallholders and found they only used a part time workers and paid by daily basis. Sample as below: a) Chua Ka Chai Paid RM80/ days for the spraying job and have a verbal mutual agreement with the workers b) Md Akhir b. Jantan Paid RM80/ day for the spraying job and have a verbal mutual agreement with the workers c) Wong Hock Hai Paid RM80/day for the spraying job and have a verbal mutual agreement with the workers.
4.4.3.4	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities, where available and practical	No workers quarters
4.4.3.5	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 laws. Work by children and young persons is acceptable on family farms, under adult supervision, and when it does not interfere with their education. They are not to be exposed to hazardous working conditions.	Noted from interview no child and young person be employed by smallholders.
Criterion 4	Training and competency	
Indicator	Requirement	Findings
4.4.4.1	Independent smallholders are encouraged to seek knowledge to increase their competency in oil palm management	Sighted Group Managers establish the training plan for stakeholder plan as below: a) Kalender Aktiviti 2017 planned activity such as Kursus Sehari Sawit, Taklimat Pengenalan Pensijilan MSPO etc.

P5: Environment, natural resources, biodiversity and ecosystem services		
Criterion 1	Environmental management plan	
Indicator	Requirement	Findings
4.5.1.1	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	<p>Verified the Senarai Impak Sosial, Persekitaran & Pelan Tindakan effective date 01/04/2016 and sighted the action taken for activity of site clearance, spraying, manuring, harvesting etc.</p> <p>Conduct Taklimat Kesedaran Alam Sekitar by DOE Negeri Sembilan dated 08/05/2017 attended by Jalil bin Sakur, Kesuma bt Abdul Wahab, Jaafa bin Hasan, Chua Ka Chai.</p>
Criterion 2	Efficiency of energy use and use of renewable energy	
Indicator	Requirement	Findings
4.5.2.1	The use of renewable energy should be applied where possible.	Group Managers establish the Rekod Penggunaan Tenaga (Diesel). As to date, no diesel usage by smallholders.
Criterion 3	Waste management and disposal	
Indicator	Requirement	Findings
4.5.3.1	All waste products and sources of pollution shall be identified	Group Managers establish procedure "pengendalian Dan Pelupusan Bahan Kimia", "Senarai Bahan Buangan Berjadual" and listed used pesticide container.
4.5.3.2	Independent smallholders shall ensure that waste from their smallholdings is disposed of appropriately. Smallholders shall adopt local and national legislation to dispose of hazardous chemicals and their containers	<p>Noted small holders attend the Taklimat Kesedaran Alam Sekitar by DOE Negeri Sembilan dated 08/05/2017.</p> <p>Verified the procedure "Pengurusan Bahan Buangan Terjadual" (SOP-04/BT/2016) effective date 01/04/2016 with a context of SW labelling, SW storage, SW disposal and training.</p> <p>Site visit Interview the smallholder noted for pesticide container disposal is by practice the triple rinsing method as per MPOB procedure. All the SPOC member are fully aware regarding the procedure to dispose the schedule waste.</p> <p>a) Kesuma binti Abd Wahab -During site visit and interview with the owner, the owner stated that all the empty chemical container are punctured and sold to the recycler shop.</p> <p>b) Jalil bin Sukur -Sighted during site visit there is no empty chemical container being left inside the field planting area. He practise the triple rinsing method for empty container disposal</p> <p>c) Kamisah binti Aman - No empty chemical container sighted in the field and she aware on and practise the triple rinsing method for empty pesticide container disposal.</p> <p>d) Wong Hock Hai</p>

		- No empty chemical container sighted in the field however he not aware on the correct practise for used pesticide container disposal and he not ensure the waste from his smallholdings is disposed of appropriately (CAR).
Criterion 4	Natural water resources	
Indicator	Requirement	Findings
4.5.4.1	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.	Training for buffer zone, riparian zone are sighted date on 08.05.2017. Sampling: a) Jaafa bin Hassan b) Jemah binti Sampul c) Kamisah binti Aman d) Mohamad Amirul Shazuan b. Samsudin. There are found that most of smallholder are practise the blanket spraying nearer the drain. Sampling 1) Wong Hock Hai 2) Md Akhir Jantan 3) Chua Ka Chai
4.5.4.2	Water harvesting practices should be implemented.	Site visit Sighted the water harvesting practices was practiced by all smallholder by using the culvert and drum. The rain water was used for spraying activities by all the smallholders.
Criterion 6	Status of rare, threatened, or endangered species and high biodiversity value area.	
Indicator	Requirement	Findings
4.5.6.1	Independent smallholders should 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.	All smallholders attend the briefing on the "Perlindungan Hidupan Liar" conducted by PERHILITAN Negeri Sembilan 2017/05/08. Interview all smallholders and noted there is no threatened or conflict with endangered wildlife.
Criterion 7	Zero burning practices	
Indicator	Requirement	Findings
4.5.7.1	Independent smallholders shall not practice open burning during land preparation for oil palm cultivation or replanting, unless with the permission of relevant state authorities.	Site visit. No open burning activity sighted at the smallholders farm during the site visit.
P6: Best Practices		
Criterion 1	Site management	
Indicator	Requirement	Findings

4.6.1.1	All independent smallholders oil palm farms shall implement best practices such as the MPOB Codes of Practice, Malaysian Standards or ISO Standards and the Kod Amalan Baik (GAP) Pekebun Kecil	<p>Smallholders practices as per "Manual Penanaman Dan Penyelenggara Sawit Untuk Sektor Pekebun Kecil dated Julai 2004.</p> <p>Smallholder will follow the "Buku Panduan-Amalan Pertanian Baik MPOB (MPOB GAP)" published on year 2016 with a guideline for site clearance, land preparation, soil conservation, pesticide, mauling, disease etc.</p> <p>CoPGAP conducted to smallholders and sampling as below: a) Jaafa bin Hassan- conducted on 07/06/2017 b) Kesuma bt Abdul Wahab- conducted on 20/06/2017 c) Norsiah bt Derani- conducted on 07/06/2017 d) Jalil bin Sukur- conducted on 07/06/2017 e) Mohammad Amirul Shazuan- conducted on 23/08/2017 f) Mohd sharif bin Yakim- conducted on 20/06/2017 g) Jelma bt Sampul- conducted on 07/06/2017.</p> <p>During site visit sighted the blanket spraying practise in the field and not follow the MPOB GAP procedure for SPOC members Wong Hock Hai and Md Akhir bin Jantan (CAR).</p>
4.6.1.2	A visual identification or reference system shall be established for each field or block of oil palm planting	<p>Site visit Sighted the signboard was establish at all smallholder field with appropriate information of Land Lot No., hectares, GPS Coordinate by Google Map and planted years.</p> <p>Verified the land marking and sighted the marking is by the availability of the boundary stone and fencing.</p>
Criterion 2	Economic and financial viability plan	
Indicator	Requirement	Findings
4.6.2.1	Group Manager shall establish a documented business or management plan to demonstrate attention to economic and financial viability.	<p>Group Manager establish the procedure "Pelan Daya Ekonomi dan Kewangan" No Doc: P-01/PDEK/2016 with effective date 01/05/2017.</p> <p>Sighted there a Program Pembajaan Dan Kawalan Rumpai Tahun 2017 was establish for all smallholder.</p> <p>Sighted smallholders fill up the "Rekod Hasil Dan Pendapatan" as below: a) Mohd Syarif- 29/07/2017- 1.02 ton, RM510.08</p> <p>smallholders fill up the "Rekod Perbelanjaan" and sample as below: a) Jaafa bin Hassan- Ogos- CCM fertilizer- 3 bags= RM264 b) Wong Hock Hai- September 2017- CCM Fertilizer- 3 bags= RM264 c) Jalil bin Sukur- Sept 2017- Alai 500g- 1 bottle- RM21 d) Kesuma bt Abdul- Ogis 2017- Alai 500g- 1 bootle- RM21.</p>
Criterion 3	Transparent and fair price dealing	
Indicator	Requirement	Findings

6.6.3.1	Independent smallholders are encouraged to communicate with and have consultations with dealers, millers, local communities and other affected or interested parties.	Noted and sighted the price dealing was clearly showed at the official receipt from the buyers/dealers. Sample: a) Mohd Sharif bin Yakim- Self Billed Invoice dated 16/12/2017- Price= RM455.05
P7: Development of new plantings		
Criterion 1	Oil palm shall not be planted on land with high biodiversity value	
Indicator	Requirement	Findings
4.7.1.1	Independent smallholders shall not plant oil palm on land with high biodiversity value as identified by local, state and national legislation	Not Applicable
Criterion 2	Soil survey	
Indicator	Requirement	Findings
4.7.2.1	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	Not Applicable
Criterion 3	Planting on steep terrain, marginal and fragile soils	
Indicator	Requirement	Findings
4.7.3.1	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 the appropriate and viable conservation measures.	Not Applicable

Observation for Improvement

Details
<p>1) 4.5.1.1 Noted there is a standard Environmental Management Plan established by HQ, advise Group Manager to establish the specific EMP for SPOC Pasir Panjang.</p> <p>2) 4.5.3.1 a) Verified the "Senarai Bahan Buangan Terjadual" established by Group Managers, advise GM to identify the SW according to the SW Code (1st Schedule) b) To keep record of the used pesticide container sold to the solid waste collector as an evidence of disposal of the used pesticide container.</p> <p>3) Sighted blanket spraying at the drain bank, advise Group Manager to ensure no spraying activity at the drain bank to</p>

prevent the soil erosion and drain bank failure.

4) Sighted open burning was practise during replanting activity at smallholdings Chua Ka Chai and not follow the "Buku Panduan- tanam Semula Sawit Ke Sawit- Panduan Untuk pekebun Kecil Dan Kontraktor" and noted the replanting activity was done on April 2017 and MSPO implementation was done by May 2017.

5) Based on interview with Group Manager there are no clear Indication time frame for Group Manager responce from complaint raise.

6) Sighted that form of agreement provided by MPOB have been distributed to the SPOC member. Somehow some of the smallholder still did not perform the agreement with the workers

During the assessment_03_nonconformities were identified.

APPENDIX 1

LIST OF SPOC PASIR PANJANG MEMBERS

NO	NAME	NO. IC	MPOB LICENSE NO.	LOT NO.	MUKIM	AREA (HA)	OP AGE (YRS)	LAND TITLE
1	LEE KIM AN	600513-10-5799	505487-001000	LOT 1777	PASIR PANJANG	0.95	7	TIADA
2	TAN BEE HONG	650611-05-5508	505487-001000	LOT 1782	PASIR PANJANG	2.1246	2	TIADA
		650611-05-5508	505487-001000	LOT 1783	PASIR PANJANG	2.0209	2	TIADA
3	LEE KIM SOON	590309-10-5437	419435-501000	LOT 1784	PASIR PANJANG	4.047	2	TIADA
4	TAN SOOK THIN	590826-10-6438	419435-501000	LOT 1784	PASIR PANJANG	4.047	2	TIADA
5	GOH MAN HIONG	590202-10-5787	234711-201000	LOT 1781	PASIR PANJANG	1.078	2	TIADA
6	TAN BEE GIOK	580801-05-5292	239462-501000	LOT 1779	PASIR PANJANG	2.026	2	TIADA
		580801-05-5292	234711-201000	LOT 1780	PASIR PANJANG	2.026	2	TIADA
7	MINHAT BIN MISPAN @ MESPAN	510812-05-5171	503774-601000	LOT 1176	PASIR PANJANG	1.586	6	PADI
8	LIYANA BINTI MINHAT	901010-14-5464	503007-501000	LOT 4136	PASIR PANJANG	0.96	6	padi

9	MOHD SHARIF BIN YAKIM	590611-05-5063	580234-501000	LOT 2346	PASIR PANJANG	1.2679	5	getah
10	JALIL BIN SUKUR	590925-05-5525	507234-701000	LOT 2347	PASIR PANJANG	1.1793	5	getah
11	SHAMSUDIN BIN ZAINAL	750209-05-5487	466648-601000	LOT 2341	PASIR PANJANG	1.1254	5	kelapa sawit
12	NORSIAH BINTI DERANI	651120-05-5460	540985-601000	LOT 2333	PASIR PANJANG	1.2193	17	getah
13	MOHAMED ADNO BIN SURO	411121-10-5447	235150-101000	LOT 3370	LINGGI	0.4295	5	KELAPA
14	KESUMA BINTI ABDUL WAHAB	560311-05-5398	539478-601000	LOT 2345	PASIR PANJANG	1.2546	5	getah
15	RAZAK BIN SAMAD	570906-04-5059	580701-101000	LOT 2359	PASIR PANJANG	1.442	5	GETAH
16	JAAFA BIN HASAN	640703-05-5821	580703-701000	LOT 2452	PASIR PANJANG	1.2043	5	PERTANIAN
17	JELMAH BINTI SAMPUL	510710-05-5648	452166-601000	LOT 2349	PASIR PANJANG	1.2849	14	PERTANIAN
18	KAMISAH BINTI AMAN	650617-05-5584	MOHON BARU	LOT 1489	PASIR PANJANG	0.3516	5	DUSUN
19	MOHAMMAD AMIRUL SHAZUAN B SAMSUDDIN	950207-05-5287	580702-901000	LOT 2334	PASIR PANJANG	1.2513	5	getah
20	LOH KIM BIAN	590331-05-5173	431340-101000	LOT 587	PASIR PANJANG	1.0269	7	GETAH
21	SOH THAI SENG	541107-05-5143	238115-901000	LOT 453	PASIR PANJANG	3.7409	8	GETAH
22	TEE LAI SUAN @ THE TIOU YON	290807-05-5028	233715-001000	LOT 243	PASIR PANJANG	1.1812	3	GETAH
		290807-05-5028	233715-001000	lot 41	PASIR PANJANG	2.3396	3	KAMPUNG
23	HO CHIEW HUN	780728-05-5267	431501-201000	LOT 4389	PASIR PANJANG	1.04	5	KELAPA
24	SOH LAI @ SOH LAI WAH	421212-06-5099	540158-801000	LOT 3333	PASIR PANJANG	2.026	4	TIADA
25	SOH CHAR SHIN	730117-05-5473	522397-301000	LOT 4671	PASIR PANJANG	0.8537	2	KELAPA SAWIT
26	WONG HOCK HAI	491024-04-5203	429197-101000	LOT 1509	PASIR PANJANG	0.8852	9	KELAPA SAWIT
27	NG NGOW ONN	561228-05-5543	448913-401000	LOT 1919	PASIR PANJANG	7.5246	2	TIADA
28	LIEW PAN FAH @ LAW KIN SNG	390505-05-5047	444818-701000	LOT 2293	PASIR PANJANG	0.89	7	DUSUN

29	LEE KIM THUI	5111107-05-5090	500453-801000	LOT 611	LINGGI	0.405	8	KELAPA SAWIT
		5111107-05-5090	500453-801000	LOT 615	LINGGI	1.089	8	TIADA
30	LEE BAN SENG	500125-05-5357	235227-201000	LOT 684	PASIR PANJANG	4.7449	2	TIADA
31	THANJAGOUNDAN A/L ANNAMALAI	521212-05-5091	499710-501000	LOT 4429	PASIR PANJANG	1.025	4	KELAPA
32	NIEW TECK HOON	630901-05-5807	519054-401000	LOT 4443	PASIR PANJANG	1.068	2	KELAPA SAWIT
33	YAP HUNG MENG	490414-10-5270	234944-101000	LOT 3060	PASIR PANJANG	0.9971	6	KELAPA SAWIT
34	ON AH TEA	471030-01-5851	237142-101000	LOT 3059	PASIR PANJANG	0.999	8	KELAPA SAWIT
35	SAMSUDIN BIN OTHRMAN	600424-05-5523	581661-301000	LOT 313	LINGGI	0.8094	3	KELAPA SAWIT
		600424-05-5523	581661-301000	LOT 323	LINGGI	0.8094	3	KELAPA SAWIT
		600424-05-5523	581661-301000	LOT 5342	PASIR PANJANG	0.6872	3	KELAPA SAWIT
36	RAMNAH BINTI MAT	600913-04-5094	515769-501000	LOT 321	LINGGI	0.8094	3	KELAPA SAWIT
37	KULDIP SINGH A/L JASWANT SINGH	580415-05-5315	479313-501000	LOT 2988	PASIR PANJANG	0.83	8	PERTANIAN
38	TAN KIM ENG	510910-10-5857	508274-101000	LOT 661	LINGGI	2.4787	3	KELAPA SAWIT
39	EU KANG SEE	390918-10-5857	508313-601000	LOT 835	LINGGI	3.3133	3	TIADA
		390918-10-5857	508313-601000	LOT 836	LINGGI	1.1483	3	TIADA
40	TAN KIM LEE	530713-10-5733	508284-901000	LOT 834	LINGGI	1.429	3	TIADA
41	TAN KIM HAI	590914-05-5191	508272-501000	LOT 1658	LINGGI	3.13	2	PERTANIAN
42	TAN KIM SUN	610622-10-6327	508272-501000	LOT 1658	LINGGI	3.13	2	PERTANIAN
43	HIDZIR BIN ABD HAMID	640826-05-5629	MOHON BARU	PT 1227	LINGGI	1.214	3	KELAPA SAWIT
44	ABDULLAH BIN HUSSIN	560915-11-5099	576059-601000	LOT 4808	LINGGI	1.214	3	KELAPA SAWIT
45	IBRAHIM BIN ABD HAMID	601003-05-5503	576060-001000	LOT 806	LINGGI	1.331	3	KELAPA SAWIT
46	KONG SEE MOY	540215-05-5082	483639-001000	LOT 4716	PASIR PANJANG	0.3704	5	KELAPA

47	SOH TAI SUAN	541107-05-5143	238115-901000	LOT 1872	PASIR PANJANG	4.1126	10	TIADA
48	ADI SUFIAN CHAN BIN ABDULLAH	730906-05-5011	466710-501000	lot 3473	LINGGI	3.665	5	TIADA
49	CHAN MAY LING	670905-05-5122	466710-501000	lot 3472	LINGGI	3.964	5	TIADA
50	TAN KWAI BOON	560512-05-5351	412163-301000	lot 4123	PASIR PANJANG	3.103	2	TIADA
51	SIAH NYUK PIN	690414-05-5062	412163-301000	lot 4120	PASIR PANJANG	2.023	2	TIADA
52	MOHD FADIL BIN SHAMSUDIN	541210-05-5045	466001-101000	LOT 4768	PASIR PANJANG	0.807	4	KELAPA SAWIT
53	HASHIM BIN MD SAH	650215-05-5493	481328-401000	LOT 4164	LINGGI	0.4	6	KELAPA SAWIT
		650215-05-5493	481328-401000	LOT 4168	LINGGI	0.4	6	KELAPA SAWIT
		650215-05-5493	481328-401000	LOT 5992	LINGGI	0.4	6	KELAPA SAWIT
54	GAYAH BT DAUD	630509-05-5378	236172-701000	LOT 4163	LINGGI	0.4	6	KELAPA SAWIT
		630509-05-5378	236172-701000	LOT 4166	LINGGI	0.4	6	KELAPA SAWIT
		630509-05-5378	236172-701000	LOT 4167	LINGGI	0.4	6	KELAPA SAWIT
		630509-05-5378	236172-701000	LOT 4634	LINGGI	0.4	6	KELAPA SAWIT
		630509-05-5378	236172-701000	LOT 4978	LINGGI	0.83	6	KELAPA SAWIT
55	MD AKHIR BIN JANTAN	571105-05-5139	237002-501000	LOT 1624	PASIR PANJANG	0.951	4	KELAPA SAWIT
56	CHUA KA CHAI	510101-05-5343	235664-201000	LOT 1954	PASIR PANJANG	4.6919	1	TIADA
57	LEE TIONG BIN	541228-05-5115	512791-501000	LOT 2566	LINGGI	4.148	1	TIADA
58	HON KHAI MAN	451112-05-5085	516803-401000	LOT 3050	LINGGI	2.2751	3	TIADA
TOTAL :						120.7864		

