

MSP0 Summary Report for SA1 Certification Assessment

KOPERASI PENANAM SAWIT MAMPAN DAERAH BERA BERHAD (BERA - SPOC)

Report prepared by:

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Report Number: 8636341

Assessment Conducted by:

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1.0 SUMMARY

1.1 Details of Certification Assessment Scope and Certification Recommendation:

BSI has conducted the surveillance 1 Certification Assessment of KOPERASI PENANAM SAWIT MAMPAN DAERAH BERA BERHAD (SPOC), located in Bera, Pahang, Malaysia comprising 31 smallholders, cooperative and infrastructure

The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for Independent Small holders and MSPO Guidance - Part 2(060814).

The onsite assessment was conducted on 6 December 2016.

Based on the assessment result, **KOPERASI PENANAM SAWIT MAMPAN DAERAH BERA BERHAD** complies with the MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for Independent Small holders and MSPO Guidance - Part 2_EDITED VERSION (100114) and recommended for certification.

1.2 Identity of Certification Unit

Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
KOPERASI PENANAM SAWIT MAMPAN DAERAH BERA BERHAD (SPOC)	LEMBAGA MINYAK SAWIT MALAYSIA Tingkat 2, Bangunan Tabung Haji, 28200 Temerloh, Pahang	102° 25' 14.707" N	3° 27' 04.863" E

1.3 FFB Production (Actual) and Projected (tonnage).

Producer Group	Projected from last audit	Actual production Jan – Dec 2016	Projected production for next 12 months (Jan – Dec' 2017)
BERA SPOC	1743.30Mt	588 Mt	594 Mt

1.4 Certification Details

Number	MSPO 642466
Issued Date	30 Nov 2015
Expiry Date	29 Nov 2020
Stage 1 Date	Pilot/Stage I Assessment: 11-13 February 2015
Stage 2 / Initial Assessment Visit Date (IAV)	Pilot Assessment: 15 Sep 2015
Continuous Assessment Visit Date (CAV) 1	6 December 2016
Continuous Assessment Visit Date (CAV) 2	NA
Continuous Assessment Visit Date (CAV) 3	NA
Continuous Assessment Visit Date (CAV) 4	NA

1.5 Detail of other certification held

No.	Type of Certification	Certificate #	Expiry Date
1	MPOB GAP certification	00384 & 00386	17/6/16

1.6 Organizational Information and Contact Person

Company name:	KOPERASI PENANAM SAWIT MAMPAN DAERAH BERA BERHAD (SPOC)
Business address:	LEMBAGA MINYAK SAWIT MALAYSIA, Tingkat 2, Bangunan Tabung Haji, 28200 Temerloh, Pahang

Group name if applicable:	SPOC Bera
Contact person:	Puan Zainab Binti Mohd
Tel.:	06-2960582
Fax:	06-2969470
e-mail:	zainabmohd@mpob.gov.my
Web site:	-

2.0 ASSESSMENT PROCESS

2.1 Certification Body

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2.2 Qualification of the Lead Assessor and Assessment Team

Hoo Boon Han – Team Leader	He holds Master of Technology (Environmental Management) from the University Malaya and Bachelor of Science Forestry (Hons) Majored in International Tropical Forestry from University Malaysia Sabah. He has more than 3 years working experience in environmental monitoring & audit, carbon accounting & reduction, wastewater treatment, waste management and sustainable development. He has successfully completed the RSPO Lead Auditor and RSPO Supply Chain Training in April 2012. He has been involved in RSPO P&C audit in Indonesia and Malaysia as well as RSPO SC audit across different region including Asia, Europe and North America for the past 4 years. During this assessment, he assessed on the aspect of environment, Safety and Health, Legal, social and community engagements, stakeholders consultation, and workers welfare. He is able to speak and understand Bahasa Malaysia, English and Mandarin.
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2.3 Assessment Methodology, Programme and Site Visits

The Surveillance 1 Certification Assessment was conducted on 6 December 2015. The audit programme is included as Appendix A.

The approach to the audit was to treat the independent smallholders group as a MSPO Certification Unit. 5 Smallholders were sampled together with its cooperative management and infrastructure. A range of safety & health, environmental and social factors were covered. These included consideration of safe working practice, environmental issues and local communities.

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

2.4 Stakeholder Consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss the smallholder's practices in relation to environmental and social performance.

Meetings were held with stakeholders to seek their views on the performance of the smallholders with respect to the MSPO requirements and aspects where they considered that improvements could be made. The meeting was conducted without the present of group management of Certification Unit. At the start of each meeting, the auditor explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the smallholders before discussions continued. The auditor recorded comments made by stakeholders and verified with the group management before incorporating into the assessment findings. A list of Stakeholders contacted is included as Appendix B.

3.0 ASSESSMENT FINDINGS

3.1 Summary of the findings by Principles and Criteria		
Principle 1: Management commitment and responsibility		
Criterion 1: MSPO Policy		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: There shall be a policy binding smallholders to MSPO.	MSPO Policy has been established and signed by Penolong Penyelaras TUNAS Zon Timur 1 (Pahang, Kelantan & Terengganu), Puan Zainab Mohd as the group manager effective 2/1/5. As the smallholder join the SPOC member, the policy is communicated with smallholders. Policy MSPO (P-01/MSPO-SPOC/2016) documented at each smallholder's file.	Yes
Criterion 2: Continual improvement		
Indicator	Summary	Compliance (Yes / No)
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.	The group manager had established a list identifying the social and environmental impact with the action plan. The environmental impact all the waste product from the workers as well as from the plantation. Training for the smallholders in the event for improvement on the awareness of best practices and safety has been provided. For examples, awareness training on fertilizer and pesticide has been conducted on the 26/05/2016, 11/05/2016 and 9/6/2016.	Yes
Indicator 2: Group management shall establish a system to improve practices in line with new information and techniques; and for disseminating this information	New information and techniques has been disseminated through internal audit as well as training. The group manager has prepared annual	Yes

throughout the group members.	<p>internal audit schedule starting from June to December 2016. This will be done together with CoGAP audit. Latest audit was done on 30 Nov 2016 and audit report was verified. 13 smallholders were sampled and the audit was conducted by the group manager and officer from MPOB head office.</p> <p>Training for the smallholders in the event for improvement on the awareness of best practices and safety has been provided. For examples, Awareness training on fertilizer has been conducted on the 26/05/2016 and 11/05/2016.</p>	
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Principle 2: Transparency		
Criterion 1: Traceability		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: The group management shall commit itself to implement and maintain the requirements for traceability	The group manager has prepared individual field record book. The data from the record compiled by the group manager on monthly basis into master list. The master list includes actual FFB production, year of planting, contacts, and the hectarage of the plantation. Nov 2016 data were verified in the document "Data Untuk SPOC Bera 2016".	Yes
Indicator 2: To keep records of sales and delivery or transportation of fresh fruit bunches.	The record of weighbridge ticket for the FFB sold to the palm oil mill was available with the group management. It also recorded in the summary of FFB delivery to Havys POM. Record October 2016 was verified.	Yes

Principle 3: Compliance to legal requirements		
Criterion 1: Regulatory requirements		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders shall show awareness of compliance with all applicable local, state, national and ratified international laws and regulations.	<p>Interviewed with the smallholders found that they are aware of the compliance with all applicable laws. Document review found all the 31 smallholders have obtained the MPOB license Samples of the MPOB license checked:-</p> <p>Sample of MPOB license checked :</p> <p>a. Jamaen bin Muhayat, MPOB license 513091-601000, 4.8 ha, valid until 31/10/18</p> <p>b. Rashidah Binti Esa, MPOB license 514990101000, 12.21 Ha, valid until 30/11/18.</p>	Yes

	<p>c. Roshima bt Ibrahim, MPOB license 513262- 501000, 1.21 ha, valid till 31 October 2018</p> <p>d. Mohd Diah Bin Md Salleh, MPOB License 514991901000, 4.93 ha</p> <p>FFB Licenseas registered co-operative under "Suruhanjaya Koperasi Malaysia" under registration name "Koperasi Penanam Sawit Mampan Daerah Bera Berhad".</p> <p>Date of registration : 27/4/12 Registrar reference : C-4 0736</p> <p>Reference number : SKM.IP(PEND)C-710(1)</p>	
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Criterion 2 : Land use rights

Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders shall demonstrate rights to their landholdings and there is no evidence of major land disputes.	<p>Most of the land that owned by the smallholders are aboriginal reserved land and MPOB license was the proof of legal ownership. Some of the land that used for the palm oil plantations are lease land and the land title was available when checked. Sampled as below:</p> <p>a. No: 7234; Lot 8283; 1.976 ha</p> <p>b. No: 1628; Lot 2446; 0.6773 ha</p>	Yes

Criterion 3 : Customary land rights

Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders shall demonstrate customary rights to their landholdings.	<p>Interview with the smallholders as well as their documents such as MPOB license confirmed that have the customary rights on the land. MPOB license is the legal document for the land ownership for the aboriginal reserved lands as it is recognized by the village heads. For example:</p> <p>a. Roshima bt Ibrahim, MPOB license 513262 501000, 1.21 ha, valid till 31 October 2018</p> <p>b. Mohd Diah Bin Md Salleh, MPOB License 514991901000, 4.93 ha</p>	Yes
Indicator 2: Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available.	<p>A sketch map of the smallholder's farm was available and the group manager can ensure that no overlapping with the neighbor by the number of palms as compare to the size as approved in the MPOB license. The total land size for the aboriginal area of Pasal Village is 385.2 ha.</p>	Yes

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

Criterion 1: Complaints and grievances

Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders shall be able to respond to complaints that are raised by their neighbours or other stakeholders.	Complaint and grievances system has been established by the group management for the neighbor or other stakeholders to complaint. Complaints and grievance can be directly reported to the group manager or "Pegawai Tunas Kawasan" for further action. In each smallholder's folder, a complaint form (F-01/AR/2016) provided to them in case of any complaints. Up to date, no complaints has been received.	Yes
Indicator 2: The local system should be able to resolve disputes.	Local system used to resolve disputes was found to be effective. Based on the interview with the group members and other stakeholder, most of them understand the process and can be escalated to the group manager if the is unresolved issues.	Yes
Criterion 2: Employees safety and health		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders need not have a formal health and safety plan but shall ensure that all work practices are safe.	Group Manager has implemented the awareness of safe work practices from time to time. Sample of training record checked; "Taklimat Penggunaan PPE" dated April 2015. Verified PPE issuance record to the group members and kept in the co-operative office. During internal audit, the group manager will emphasize on the safe work practices. Noted during site review at smallholder farms and interview with smallholders found safe working is practiced where PPE is used for chemical spraying. Mechanism to handle accident case was available. Accident cases will be reported to "Pegawai Tunas Kawasan" for compilation and reporting. Records will be kept by the group manager to monitor the effectiveness of the work safety implementation.	Yes
Criterion 3: Employment conditions		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: For independent smallholders with temporary workers, work conditions shall be in accordance with a mutual verbal agreement made transparently and freely.	Interviewed with the contractor- Razali Ibrahim who provide temporary workers to the smallholders. The workers were satisfied with the paid they received which according to the verbally agreed term and condition.	Yes
Indicator 2: Independent smallholders & group managers shall provide equal opportunity and	Interviewed with the workers that confirmed no complaint from the workers regarding the opportunity and treatment regardless of race,	Yes

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.	gender, religion, political affiliation, nationality, social origin or other discrimination by neither the independent smallholder nor group manager.	
Indicator 3: Group managers for Independent smallholders shall ensure that worker's pay and conditions meet legal standards as per mutual agreements.	This indicator is not applicable to this group of smallholder as there were no monthly workers being employed in the smallholding as it was managed by themselves and their respective family members or temporally workers.	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.	This indicator is not applicable to this group of smallholder as there were no monthly workers being employed in the smallholding as it was managed by themselves and their respective family members or temporally workers.	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.	Young persons and children were not observed working in the farm during the visit. Interview with the smallholders found they are aware of the importance of education and allow their children's to attend school.	Yes
Criterion 4: Training and competency		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders are encouraged to seek knowledge to increase their competency in oil palm management.	Group Manager together with the "Pegawai Tunas Kawasan" On-site MPOB Officers had planned and conducts regular trainings for the smallholders. Smallholders' interview found that they always seek advice from group manager and MPOB officers to increase their competency in oil palm management. Training & Seminar such as farm best practice, manuring, spraying has been conducted at location basis on the Awareness training on fertilizer and pesticide has been conducted on the 26/05/2016, 11/05/2016 and 9/6/2016.	Yes

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

Criterion 1: Environmental management plan

Indicator	Summary	Compliance (Yes / No)
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.	Smallholders are trained by the group manager on the environmental Impacts. Last training was conducted on 15 April 2015 for the group smallholders during the MSPO Awareness Training. Interviewed with smallholders found they were able to explain the environmental impacts and need for the protection of environment.	Yes
Criterion 2 : Efficiency of energy use and use of renewable energy		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: The use of renewal energy should be applied where possible.	During the audit, the usage of diesel for the transport of FFB has been recorded and further verified with the group manager that the diesel usage for per tonne of FFB produced has been recorded. It is the estimation for smallholder who own the lorry in transporting the FFB to the nearby mill. Total four small drivers and estimated cost and distance recorded in the excel sheet.	Yes
Criterion 3 : Waste management and disposal		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: All waste products and sources of pollution shall be identified by the group manager.	Identification of waste products and sources of pollution are prepared by the group manager. The waste has been categorized into schedule waste and domestic waste.	Yes
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.	Interviewed with smallholders and visit to the smallholders farms found agrochemical waste always collected by their engaged contractor. Certain smallholders which spraying themselves has store the triple-rinsed and punctured containers as the recyclable waste.	Yes
Criterion 4 : Natural water resources		
Indicator	Summary	Compliance (Yes / No)
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	CoP training covers the need to maintain the quality and availability of surface and ground water. Smallholders interviewed are able to explain the needs and steps were taken such as no blanket spraying, maintenance of riparian buffer zones and etc.	Yes

implementation.		
Indicator 2: Water harvesting practices should be implemented.	Rain water harvesting has been implemented by the smallholders that are being used for pre-mix of agrochemicals. It was observed the moisture conservation pit has been used by certain smallholders and well- maintained to avoid soil erosion.	Yes
Criterion 5 : Status of rare, threatened, or endangered species and high biodiversity value		
Indicator	Summary	Compliance (Yes / No)
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.	<p>Interviewed of smallholders found that they are able to show a basic understanding of any species or habitats of concern, together with their conservation needs even though most of their smallholders farms are bordering with other oil palm plantations. According the smallholders, they only observed wild boar or monkey in their farm.</p> <p>Group manager had conducted an awareness training together with Department of Wild Life Sabah for the smallholders on the Status of rare, threatened, or endangered species and high biodiversity value on 5 April 2016.</p>	Yes
Criterion 6 : Zero burning practices		
Indicator	Summary	Compliance (Yes / No)
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.	The group manager together with MPOB officers (Pegawai Tunas) have conducted refresher training to 31 smallholders on 15 April 2015 on prohibition of open burning. Training attendance and minutes were verified during the visit.	Yes

Principle 6: Best practices		
Criterion 1: Site management		
Indicator	Summary	Compliance (Yes / No)
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)	<p>SPOC BERA has certified with MPOB Code of Good Agriculture Practice (CoGAP) for Oil Palm Estate and Smallholdings. Audit has been conducted on the 7-8 April 2014 for phase 1 assessment.</p> <p>Results of shown that most of the smallholders are yet to comply with the standard and require 2nd audit before issuance of certificate.</p>	Yes

Pekebun Kecil.	<p>4 smallholders were recommended for certification.</p> <p>All 31 smallholders were certified with MPOB GAP certification by Pegawai TUNAS Kawasan. Sample of GAP certificate for SPOC Bera:</p> <ol style="list-style-type: none"> Mahat Bin Amin (Cert no : 00384), no lot: NCR, title area : 2.09 ha valid until 17/6/16 Rozali Ibrahim (Cert no: 00386), no lot : NCR , title area : 3.2388 ha valid until 17/6/16 <p>Status of CoGAP as at January 2015 for 31 smallholders is still under review for second audit before granting the certificate.</p>	
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).	<p>Visited following smallholder's farm and no visible mark was established:</p> <ol style="list-style-type: none"> Rashidah BT Esa Mohd Diah Bin MD Salleh Rohani BT Baharom <p>Major nonconformity was raised.</p>	No
Criterion 2 : Economic and financial viability plan		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Group manager shall establish a documented business or management plan to demonstrate attention to economic and financial viability.	<p>Management Plan for year 2016 that related to the field activities such as manuring, spraying and harvesting programme has been prepared by the group manager. The detail of the management plan has been communicated to the small holder through the MPOB officer (pegawai Tunas) and public talk organizes by MPOB from time to time.</p>	Yes
Criterion 3 : Transparent and fair price dealing,		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders are encouraged to communicate with and have consultations with dealers, millers, local communities and other affected or interested parties.	<p>Group manager with the assistance of MPOB has negotiated FFB pricing with Mill for the smallholders FFB. Discussion on the agreed FFB price was sighted between both parties.</p> <p>Sighted on the monthly payment record for November 2016 between Havys Palm Oil Mill and the Koperasi Penanam Sawit Mampau Daerah Bera Berhad.</p> <p>Daily FFB price was given to the cooperative for FELDA POM while private miller paid the monthly average price.</p> <p>There were no disputes on the payment noted during the audit. Group manager keeps a copy of all the FFB sales records.</p>	Yes

Principle 7: Development of new planting		
Criterion 1: Oil palm shall not be planted on land with a high biodiversity value		
Indicator	Summary	Compliance (Yes / No)
Indicator 1: Independent smallholders shall not plant oil palm on land with high biodiversity value as identified by local, state and national legislation.	No new planting at SPOC Bera.	Not Applicable
Criterion 2 : Soil survey		
Indicator	Summary	Compliance (Yes / No)
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.	No new planting at SPOC Bera	Not Applicable
Criterion 3 : Extensive planting on steep terrain, marginal and fragile soils		
Indicator	Summary	Compliance (Yes / No)
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.	No new planting at SPOC Bera	Not Applicable

3.2 Details of Nonconformities and Observation / Opportunity for improvement identified, Evidence of closing out Major NC and Audit team conclusion		
Major Nonconformities:		
Ref	Area/Process	Clause
1415828M1	SPOC Bera	4.6.1.2
Details:	There is no visual identification or reference system was established for smallholders' field.	

Requirements:	A visual identification or reference system shall be established for each field or block of oil palm planting by group manager (where practical).
Objective Evidence:	Visited following smallholder's farm and no visible mark was established: a. RASHIDAH BT ESA b. MOHD DIAH BIN MD SALLEH c. ROHANI BT BAHAROM
Close Out Evidence:	Identification card with the details of the owner name and hectarage has been prepared to be established in the relevant block.
Audit team conclusion:	Audit team have reviewed the evidence submitted and the major NC has been satisfactorily closed provided with the adequate supporting evidence for NC closure. The major NC was closed out on 1/2/2017.

3.3 Status of Nonconformities Previously Identified and Observations

Major Nonconformities:

Ref	Area/Process	Clause
1152678M1	SPOC Bera	4.1.2.2
Details:	Group management has not conducted the internal audit	
Requirements:	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.	
Objective Evidence:	There was no internal audit carried out by group manager for SPOC Bera as to date.	
Close Out Evidence:	i) Group manager has prepared annual internal audit schedule starting from June to December 2015. ii) Internal audit was done together with COP audit team on 7-8 April 2015. Verified internal audit report dated 8/4/15 by group manager.	
Audit team conclusion:	Corrective action taken was found to be adequate. Effectiveness of corrective action taken will be verified in the next audit.	
Stage II Status:	The group manager has prepared annual internal audit schedule starting from June to December 2015. This will be done together with CoGAP audit. Latest audit was done on 7-8 April 2015 and audit report was verified. 12 smallholders were sampled and the audit was conducted by the group manager and officer from MPOB head office. The Major NC verified and remains closed.	
Ref	Area/Process	Clause
1152678M2	SPOC Bera	4.2.1.1
Details:	Records of sales and delivery of FFB was not maintained by group management	
Requirements:	To keep records of sales and delivery or transportation of fresh fruit bunches.	
Objective Evidence:	There were no sales and delivery records to FFB dealer maintained by group manager.	
Close Out Evidence:	Verified BRL (Buku rekod ladang) data for group members. Sales and delivery records of group members – 1,089.34 m/t (through KPSM Daerah Bera) Sales without KPSM Daerah Bera – Based on Buku Rekod Ladang	
Audit team conclusion:	Corrective action taken was found to be adequate. Effectiveness of corrective action taken will be verified in the next audit.	
Stage II Status:	The group manager has prepared individual field record book. The data from the record compiled by the group manager on monthly basis into master list. The master list includes actual FFB production. July 2015 data were verified. The Major NC verified and remains closed.	

Ref	Area/Process	Clause
1152678M3	SPOC Bera	4.5.3.1

Details:	The group manager has not identified the field and domestic waste	
Requirements:	All waste products and sources of pollution shall be identified by the group manager.	
Objective Evidence:	The list for all the domestic and field waste has not been identified and documented by the group manager.	
Close Out Evidence:	Verified list for all the domestic and field waste and related SOP for waste management.	
Audit team conclusion:	Corrective action taken was found to be adequate. Effectiveness of corrective action taken will be verified in the next audit.	
Stage II Status:	The group manager has identified all waste products and sources of pollution on April 2015. The information was obtained from Agricultural department. Group manager has also conducted refresher training to 31 smallholders on 15 April 2015 on the identification of agriculture waste and its management guidelines. The Major NC verified and remains closed.	
Ref	Area/Process	Clause
1152678M4	SPOC Bera	4.5.3.2
Details:	Disposal of hazardous chemicals and their containers by smallholders are not	
Requirements:	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.	
Objective Evidence:	Interview with smallholders and visit to the smallholder's farms found hazardous chemicals waste are not disposed of appropriately.	
Close Out Evidence:	Awareness programme on the disposal of empty chemical container was conducted on 15/4/15. Verified the programme tentative and group member's attendance for	
Audit team conclusion:	Corrective action taken was found to be adequate. Effectiveness of corrective action taken will be verified in the next audit.	
Stage II Status:	The group manager together with MPOB officers (Pegawai Tunas) have conducted refresher training to 31 smallholders on 15 April 2015 on the identification of	
Ref	Area/Process	Clause
1152678M5	SPOC Bera	4.5.6.1
Details:	Open burning was practiced on land preparation for cultivation	
Requirements:	Independent smallholders shall not practice open burning during land preparation for oil palm cultivation or replanting, unless with the permission of relevant state	
Objective Evidence:	Visit on the field has found out some independent smallholder was practicing burning of frond for increase the soil fertility.	
Close Out Evidence:	Awareness programme on prohibition of open burning was conducted on 15/4/15. Verified the programme tentative and group member's attendance for the programme.	
Audit team conclusion:	Corrective action taken was found to be adequate. Effectiveness of corrective action taken will be verified in the next audit.	
Stage II Status:	The group manager together with MPOB officers (Pegawai Tunas) have conducted refresher training to 31 smallholders on 15 April 2015 on prohibition of open burning. Training attendance and minutes were verified during the visit. The Major NC verified and remains closed.	

Minor Nonconformity:		
Ref	Area/Process	Clause
1152678N3	SPOC Bera	4.5.2.1
Details:	The monitoring record for the diesel used for per tonne of FFB produced was not available.	
Requirements:	The use of renewal energy should be applied where possible.	
Objective Evidence:	During the audit, the usage of diesel for the transport of FFB has not been recorded and further verified with the group manager that the diesel usage for per tonne of FFB produced has not been recorded.	
Close Out Evidence:	A summary of the diesel usage has been recorded. It recorded the estimation of distance and the cost for the diesel.	
Audit team conclusion:	Audit team have reviewed the evidence submitted and verified onsite. The minor NC has been satisfactorily closed provided with the adequate supporting evidence for NC closure. The minor closed on 6 Dec 2016.	
Ref	Area/Process	Clause
1152678N4	SPOC Bera	4.5.5.1
Details:	Group manager does not ensure that smallholders are able to show a basic understanding of any species or habitats of concern, together with their conservation needs.	
Requirements:	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.	
Objective Evidence:	Group manager has not done any related awareness training for the smallholders and furthermore, there was no list of rare, threatened or endangered species being identified in the area.	
Close Out Evidence:	Group manager had conducted an awareness training together with Department of Wild Life Sabah for the smallholders on the Status of rare, threatened, or endangered species and high biodiversity value on 5 April 2016.	
Audit team conclusion:	Audit team have reviewed the evidence submitted and verified onsite. The minor NC has been satisfactorily closed provided with the adequate supporting evidence for NC closure. The minor closed on 6 Dec 2016.	

3.4 Issues Raised by Stakeholders and Findings with respect to each issue

During this pilot certification assessment, stakeholders were contacted through phone calls as well as private meeting conducted without the present of group management team. The majority of stakeholders had positive comments about Saratok SPOC. Issues raised by stakeholders were discussed with the group management and the company's response is obtained. The detail of stakeholders comment is provided in each criterion as part of this summary report.

3.5 Noteworthy Positive Comments

1. SPOC Bera Group Manager and "Pegawai Tunas Kawasan" has maintained a very good relationship with the group members and other stakeholders.
2. Regular visit by "Pegawai Tunas Kawasan" showing the good management support on improving yield and applying the best practices for the group members.
3. Good commitment and cooperation were evident from both group management and members were towards MSPO certification.

4.0 CERTIFIED ORGANISATION'S ACKNOWLEDGEMENT OF INTERNAL RESPONSIBILITY

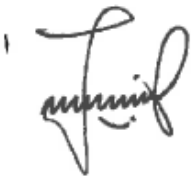

4.1 Date of Next Assessment Visit

The next Assessment visit will be scheduled within 12 months of Bera SPOC's MSPO Certificate being issued.

4.2 Date of Closing Nonconformities (Major and Minor)

NC Ref.	CLASS	ISSUED	STATUS
1152678M1	Major	13/2/2015	Closed out on 14/5/15
1152678M2	Major	13/2/2015	Closed out on 13/8/15
1152678M3	Major	13/2/2015	Closed out on 14/5/15
1152678M4	Major	13/2/2015	Closed out on 14/5/15
1152678M5	Major	13/2/2015	Closed out on 14/5/15
1152678N1	Minor	13/2/2015	Closed out on 06/12/16
1152678N2	Minor	13/2/2015	Closed out on 06/12/16
1152678N3	Minor	13/2/2015	Closed out on 06/12/16
1152678N4	Minor	13/2/2015	Closed out on 06/12/16
1415828M1	Major	6/12/2016	Closed out on 14/1/17

4.3 Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings

Name: Puan Zainab Binti Mohd	Name: Hoo Boon Han
Company name: SPOC Bera	Company name: BSI Services Malaysia Sdn. Bhd.
Title: SPOC Bera Group Manager	Title: BSI Lead Auditor
Signature: 	Signature: 
Date: 25 Feb 2017	Date: 11 Feb 2017

Appendix A: MSPO Pilot Certification Assessment Plan

Date	Time	Subjects	Hoo BH
Monday, 5/12/2016	PM	Audit Team travelling to site	√
Tuesday, 6/12/2016	0830-0900	Opening Meeting: Presentation by the Group Manager/coordinator Presentation by Audit team leader.	√
	0900-1300	Field Inspection (Bera & Termerloh complex): Field visit, boundary inspection, fertilizer application, field spraying, harvesting, workers interview, buffer zone, HCV area, Office, workshop, worker housing, Landfill, Chemical store and mixing, etc.	√
	1300-1400	Lunch	√
	1400-1630	Document Audit: Public documents, SOPs, Policies, Internal audit, Production & Supply chain records, FFB pricing, Review on SEIA documents and records, wage records, complaint records, workers records, training records, permits, CIP, etc.	√
	1630-1700	Verify any outstanding issues, auditor discussion and preparation for closing meeting	√
Wednesday, 6/12/2016	AM	Travel back to Kuala Lumpur	√

Appendix B: List of Stakeholders Contacted

Internal Stakeholders	External Stakeholders
Group Manager MPOB Officers (Pegawai Tunas Kawasan) MPOB Officers (HQ) Cooperative Assistant Cooperative Smallholders	Kampung Pasai village Head

Appendix C: SPOC Bera Group Member's details

Bil	Nama Peserta Koperasi	Tahun Tanam	Luas Tanah (Ha)	Anggaran Hasil (Mt/ha/tahun)
1	ABD RASHID BIN MD AKIL	1993	0.6773	18
2	AHMAD BIN BULAT	1993	1.2100	18
3	AHMAD BIN JAMALUDIN	2012	2.2200	20
4	AZIZAH BINTI ABDUL AZIZ	2002	1.2140	20
5	JAMAEN BIN MUHAYAT	2004	4.8000	20
6	JAMALUDIN BIN AW. MAHUSIN	2005	2.0230	10
7	JAMALUDIN BIN CHIK	1993	1.0150	25
8	KHAIROL AMIN BIN MOHD TAHIR	1983	4.8560	20
9	LOW PENG WAH	1984	6.8900	15
10	MAHAT BIN AMIN	1998	2.0890	20
11	MAT ROSLAN BIN ABDULLAH @ MAMAT	1993	3.4755	13
12	MD HUSIN BIN ABU	2004	0.4550	25
13	MD TERMIZI BIN JAMALUDIN	2000	0.7485	20
14	MOHAMAD ZUHAIR BIN ROZALI	1994	1.2140	
15	MOHD ALI BIN ABU BAKAR	1998	3.6422	20
16	MOHD ASRI BIN AB DERAHMAN	2008	3.0662	15
17	MOHD DIAH BIN MD SALLEH	2009	1.2141	20
18	MOHD ROZALI BIN JAMALUDIN	2003	1.2140	20
19	MOHD TAHIR BIN MALAKA	1998	4.8560	25
20	MUAD BIN YAHYA	2008	2.0030	18
21	RASHIDAH BT ESA	2002	3.7230	20
22	ROHANI BT BAHAROM	2008	1.2140	20
23	ROMELI BIN DOLAH	2001	2.4000	20
24	ROSHIMA BT IBRAHIM	1992	1.2140	25
25	ROSLIHAN BT ABU	2009	1.2100	16
26	ROZALI BIN IBRAHIM	2008	11.7520	10

27	SARIMAN BIN AWANG DOLLAH	2007	2.9130	18
28	SHAHRIN BIN KAPOT	2007	2.3570	20
29	SOO SIEW LENG	2012	3.9500	18
30	WAN HAIRON AZMI BIN W.BULAT	2002	1.7450	16
31	ZAKARIA BIN AHMAD	2008	1.9760	8
TOTAL			83.3368	594

