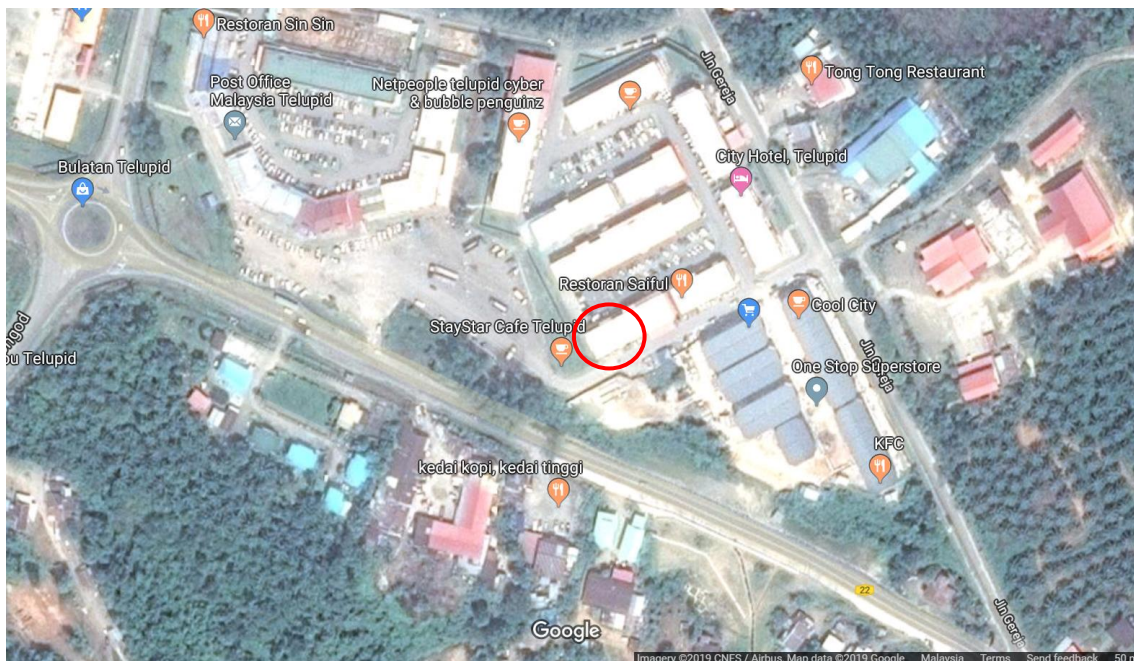


MSPO Audit Summary

Company Name:	SPOC Penangah Karamuak (S17)
Address:	Pejabat Cawangan MPOB Telupid, Blok J, Lot 6, Tingkat Bawah, Peti Surat 130, 89320 Telupid, Sabah.
Reference No.:	100016
Standard(s):	MS 2530-2:2013
MPOB licence no: (for group certification, list all licences no. in the group)	Contact PCI for details
MPOB licence scope of activity:	FFB Harvesting
MPOB Licence expiry date:	Contact PCI for details
Audit Type:	<input type="checkbox"/> Stage 2 Audit <input checked="" type="checkbox"/> Surveillance Audit <input type="checkbox"/> Re-certification Audit
Audit scope:	Palm Oil Smallholders Group.
Sites sampled: (for group certification only)	11 Sites Sampled (SH 10-Add in, SH 15-Add in, SH 14-Add in, SH 29-Add in, SH 23-Add in, SH 47-Add in, SH 49-Add in, SH 44-Add in, SH 50-Add in, SH 12, SH 17)

GPS Coordinate: N 5° 37' 34.612" E 117° 7' 58.735"

Map showing approximate location of certified entity:



Audit date:

29/10/2018 to 31/10/2018

PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)

5A, Jalan Anggerik Eria AU 31/AU
 Kota Kemuning, 40460 Shah Alam
 Selangor, D. E. Malaysia
www.pci.com.my / +603-5525 8359



Total number of man-day(s):	5.0 man-day(s)
(for MSPO Part 2 & Part 3) Planted Area:	<input type="checkbox"/> Not applicable 427.116 ha.
(for MSPO Part 2 & Part 3) Estimated tonnage of annual FFB produced:	<input type="checkbox"/> Not applicable mt.
(for MSPO Part 4) Estimated processing capacity: Estimated certified palm oil (CSPO): Estimated certified palm kernel (CSPK):	<input checked="" type="checkbox"/> Not applicable mt. FFB/hour mt./hour mt./hour
(N/A for Stage 2 & Re-certification assessment) Date of certificate issued and validity	<input type="checkbox"/> Not applicable 27/02/2018 to 26/02/2023
Please state if the organization certified for other sustainability scheme(s)?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, _____

Executive Summary

With 11 smallholders taken as samples, we noted the general awareness on commitment toward improving productivity by adhering to Group Manager's advice and recommendation on good agricultural practices. Some are evidently restricted by limited financial resources while some appeared to have enjoyed good economic return especially those practicing integrated activities. It is worth to note that all the smallholders are supportive and eager to participate in the management system toward sustainability through MSPO. This is shown by another group of 50 smallholders joining in as SPOC members since the last audit.

Commitment shown both by the Group Manager and the smallholders toward MSPO is evident through a signed letter of participation and establishment of communication initiated by the Group Manager to monitor the performances of the smallholders.

Improvement plans are very much up to the initiative of the Group Manager. Talks are organised to communicate new ways and technology to be considered by smallholders to improve work methods. Bulletin containing news and research information are given away to smallholders to get them abreast with recent event and agricultural practices. It was noted that the involvement of government agencies to give talks to smallholders as part of educational and continuous improvement plans was supported only by the Wildlife Department's.

While smallholders understand the need to maintain proper records through a book 'Buku Rekod Ladang' given by the Group Manager, not all of them were able to do so. They are required by the Group

Manager to submit or communicate information on their total sales for the month which was also not fully done.

Without any party to collect scheduled waste from smallholders, we were told through admission of some smallholders that they disposed their waste by burning them. However, there is general awareness among them toward the need of legal compliance. All the smallholders are either in possession of land titles or in the process of obtaining title from the authority. They all were able to identify and show their boundaries and there was no issue of any dispute over their land between neighbours.

The Group Manager besides acting as advisors on agriculture practices also assists in providing aids and supplies of agrochemicals and even seedlings to the smallholders. The Group Manager received complaints from smallholders and addressed them following their internal procedures. Records show that grievances and complaints are resolved and recorded. Smallholders were given awareness briefing on safety and health including usage of proper PPE.

Farms are mostly managed as family-owned and workers are mostly family members. Where outsiders are engaged as casual workers, it is done under mutual agreement. These workers are either neighbours or are likely also to be relatives. They are paid according to their agreement. However, there is a need for both parties to keep records of their understanding through written and signed agreement.

Smallholders show general awareness toward obtaining and preferring the best prices available within their area to sell their fruits. However they have no choice except to send their crop to the nearest collection centre to save cost on transport. A corporative (Koperasi) consisting of smallholders is now running and also is to look into the issue of buying crops from the smallholders.

Listing of strength / strong point identified:

No	Strength Statement
1.	Established sets of operating procedures and relevant guides on good agricultural practices.
2.	Group Manager with clear support and respect from smallholders.
3.	Group Manager with an equipped office to work from.
4.	Encouraging support from smallholders (new) to participate in the scheme.

Listing of improvement potential / opportunities for improvement (OFI)

No	OFI Statement
1.	Smallholders' awareness on waste burning can be further enhanced.
2.	Smallholders to adhere closely to MPOB recommendation on field manuring programme and ensure weeds are under control.
3.	The installation of collection bins at the interface of the access road with the smallholdings may help to reduce incidence of littering.

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4.	<i>A visual reference indicator to denote ownership of the smallholding is recommended.</i>
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Listing of nonconformity (NCR)

No	Clause	NCR Statement	NCR status
1.	<i>Nil</i>	<i>Nil</i>	<input type="checkbox"/> Open <input type="checkbox"/> Close

Stakeholder consultation summary

Any issues raised by the stakeholder(s) towards the company?	<input type="checkbox"/> Yes, issue: _____ <input checked="" type="checkbox"/> No.
Remarks: <i>No stakeholder consultation was conducted for this surveillance as the SPOC received no complaint/concern from any stakeholder.</i>	

Certification recommendation

In reference to **MS 2530-2:2013**, the audit team recommends for:

<input type="checkbox"/> Issuance of the certificate.
<input type="checkbox"/> Issuance of the certificate as soon as implementation of corrective action(s) has been demonstrated.
<input checked="" type="checkbox"/> Maintenance of the certificate.
<input type="checkbox"/> Maintenance of the certificate as soon as implementation of corrective action has been demonstrated.
<input type="checkbox"/> Not applicable, due to extraordinary type of report.

Tentative next audit date:	10/2019
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Company Representative	
Designation:	<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Other, please specify:
Name:	Mohd Shahrie Ridzlan Bin Amir
Position:	Group Manager
Tel:	+6014-565 2085
Email:	shahrie@mpob.gov.my
PCI Audit Team Leader	
Name:	Edward Agong Ajan
Area of expertise	Forestry, Plantation Management
Tel:	+603 – 5525 8359
Email:	Info@pci.com.my
PCI Audit Team Member 1	
Name:	Dominic Retan Giah
Position:	<input checked="" type="checkbox"/> Co-Auditor <input type="checkbox"/> Auditor-in-Training <input type="checkbox"/> Technical Expert <input type="checkbox"/> Observer <input type="checkbox"/> Other, please specify:
Area of expertise (N/A if observer & other)	Forestry, Plantation management, health and safety, EIA Expert