

PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)

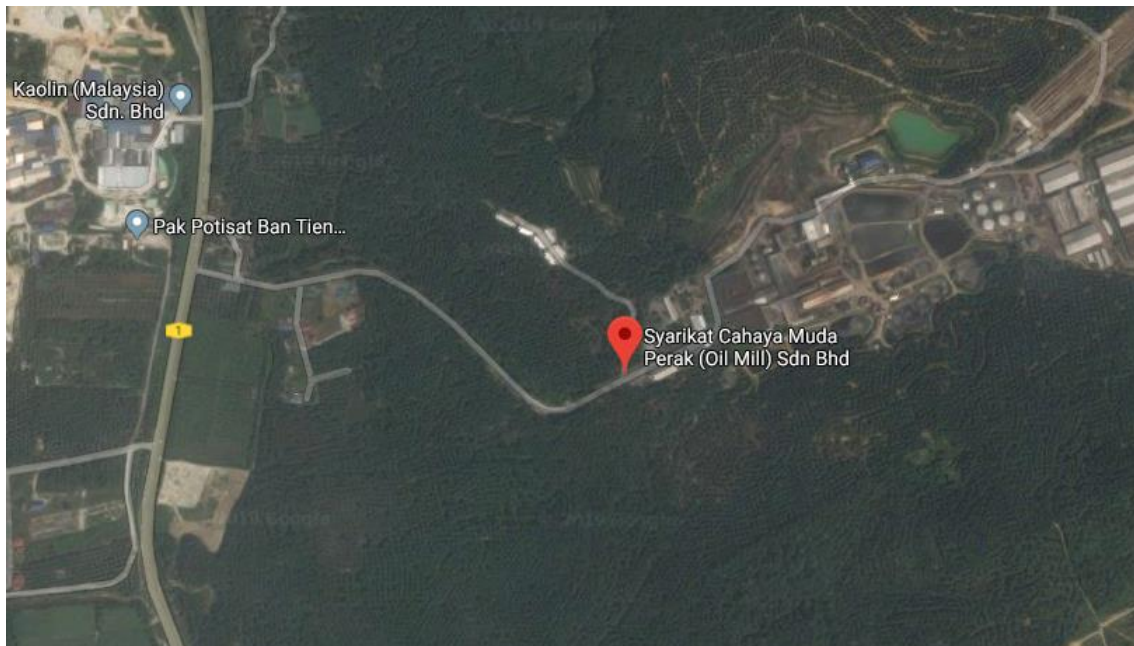
5A, Jalan Anggerik Eria AU 31/AU
 Kota Kemuning, 40460 Shah Alam
 Selangor, D. E. Malaysia
www.pci.com.my / +603-5525 8359

**MSPO Audit Summary**

Company Name:	Syarikat Cahaya Muda Perak (Oil Mill) Sdn Bhd
Address:	Batu 3, Jalan Bidor, P.O. Box 12, 35007, Tapah, Perak
Reference No.:	100041
Standard(s):	MS 2530-4:2013
MPOB licence no: (for group certification, list all licences no. in the group)	500074504000
MPOB licence scope of activity:	<ol style="list-style-type: none"> 1. Menjual & mengalih PK, CPO, SPO 2. Membeli dan mengalih FFB, PK, CPO 3. Menyimpan PK, CPO, SPO 4. Mengilang FFB
MPOB Licence expiry date:	1. 30/04/2020
Audit Type:	<input checked="" type="checkbox"/> Stage 2 Audit <input type="checkbox"/> Surveillance Audit <input type="checkbox"/> Re-certification Audit
Audit scope:	Palm oil milling.
Sites sampled: (for group certification only)	n/a

GPS Coordinate: N 4° 9' 33.553" E 101° 16' 49.832"

Map showing approximate location of certified entity:



Audit date: 27/12/2018 to 27/12/2018

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Total number of man-day(s):	3.0 man-day(s)
(for MSPO Part 2 & Part 3) Planted Area:	<input checked="" type="checkbox"/> Not applicable ha.
(for MSPO Part 2 & Part 3) Estimated tonnage of annual FFB produced:	<input checked="" type="checkbox"/> Not applicable mt.
(for MSPO Part 4) Estimated processing capacity: Estimated certified palm oil (CSPO): Estimated certified palm kernel (CSPK):	<input type="checkbox"/> Not applicable 140.0 mt. FFB/hour 12.0 mt./hour 3.0 mt./hour
(N/A for Stage 2 & Re-certification assessment) Date of certificate issued and validity	<input checked="" type="checkbox"/> Not applicable dd/mm/yyyy to dd/mm/yyyy
Please state if the organization certified for other sustainability scheme(s)?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, _____

Executive Summary

The organization has commenced operation since May 1983, and main core business was processing of Fresh Fruit Bunches (FFB) from oil palm tree which was to extract Crude Palm Oil (CPO). Initially the organization started with a processing capacity of 20MT per hour and over the years gradually upgraded to processing capacity more than 100 MT per hour. The source of input materials was from the estates, small holders and dealers. Presently there were 250 over employees working in all of the plants.

The organization had set up the biogas methane capturing plant, the fibre processing plant and the composting plant for treatment of the wastes product from Palm Oil Mill Effluent (POME) & biomass to more value-added products which was usable and marketable and at the meantime reduces the pollution to the environment. The organization has also set up a solvent extraction plant to reduce the oil losses in the palm fibre.

SCOM-Manual (MSPO Management Manual, Rev 0 dated 15-Jul-2018) was established according to the MS 2530-4:2013 MSPO Part 4 by the Director of Ngan & Ngan Holdings Sdn Bhd for its Group of Companies. The Director has appointed General Manager to be responsible for the maintenance and distribution of the manual.

This assessment was single site certification as a palm oil mill. Stage 1 audit was performed on 22/11/2018 and total of 6 findings were highlighted during audit on documentation review and site walkabout. All areas of concern were satisfactorily closed by the time of stage 2 audit.

Stage 2 audit was conducted on 27 Dec 2018 and improvement was sighted since last visit. However, there were total of 4 Nonconformities been detected which were relevant to legal requirements compliance (Principle 3), employment condition (Principle 4) & environmental management plan (Principle 5). Details could be referred to NCR 1 to 4 of 4 and MSPO Part 4 Audit Checklist.

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**Listing of strength / strong point identified:**

No	Strength Statement
1.	Stakeholder consultation with involvement from various parties include authorities, local communities, contractor.
2.	Good filing / easily accessible of relevant documentation / records (e.g. colour code).

Listing of improvement potential / opportunities for improvement (OFI)

No	OFI Statement
1.	First aid box inspection checklists were available for location Supervisor Room. Further enhancement on periodic inspection for first aid box content for workshop should be considered in order to ensure the emergency equipment was fit and well maintained all the time.
2.	To consider Authorities (DOE or JKPP or MPOB Monthly Report) request information as the information and documents relevant to MSPO requirements to be shared to interested parties as part of transparency practice.
3.	To consider adding SW 408 for generation of spent spill kit or cleaning used in cleaning up spilled oil.
4.	Collector bins for SW contaminated bottles and containers to have proper labelling.
5.	Containers of weedicide and some indeterminate liquids found in the tyre store should be located in the chemical store and properly labelled.

Listing of nonconformity (NCR)

No	Clause	NCR Statement	NCR status
1.	4.3.1.1	<p>Clause 4.3.1.1 required that all operations shall be in compliance with applicable local laws and regulations.</p> <p>Occupational Safety & Health (Safety & Health Committee) Regulations 1996 required that workplace inspection shall be conducted at least one in every 3 months by safety & health committee. Copy of safety & health committee meeting minutes shall be furnished to every member and employer within 2 weeks after the meeting has taken place.</p> <p>However, during audit there were lack of evidences that the requirements above been complied with as below:</p> <p>a) Noted last workplace inspection was performed on 19-Jul-2018.</p> <p>b) Last safety & health committee meeting was performed on 29-Nov-2018. But the minutes of meeting was not available at the moment during audit.</p>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close
2.	4.4.5.4	<p>The MS 2530-4:2013 clause 4.4.5.4 stated the management should ensure employees of contractors are paid based on legal and industry minimum standards according to employment contract agreed between the contractor and his employee.</p> <p>During the audit, there is no evidences SCOM monitor and check to ensure employees of contractors are paid based on legal and industry</p>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close

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		<i>minimum standards according to employment contract agreed between the contractor and his employee. For example, contractors (Hur Far Engineering Works Sdn. Bhd. & Sri Sinaco Engineering Works Sdn. Bhd.) who engaged employee working at SCOM.</i>	
3.	4.4.5.13	<i>The MS 2530-4:2013 clause 4.4.5.13 stated the the management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. During the audit, there is no evidences worker representative is form with involvement of workers to representing the worker to negotiate their work conditions with SCOM.</i>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close
4.	4.5.1.2	<i>The MS 2530-4:2013 clause 4.5.1.2 states °The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. During the audit, it was divulged that waste fibre used to soak up and clean spilled oil at the generator set footing was disposed by burning as boiler fuel.</i>	<input type="checkbox"/> Open <input checked="" 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: Stakeholder Consultation was performed during audit and 3 different parties including FFB Supplier, Representative from Surau and Kampung were interviewed. Based on the outputs from interview, they were satisfied with the relationship and positive interaction with the organization (SCOM). (Refer to MSPO Stakeholder Consultation Report). Based on interview with relevant stakeholders, they are satisfied with the relationship and positive interaction with SCOM.	

Certification recommendation

In reference to **MS 2530-4:2013**, the audit team recommends for:

<input type="checkbox"/> Issuance of the certificate.
<input checked="" type="checkbox"/> Issuance of the certificate as soon as implementation of corrective action(s) has been demonstrated.
<input 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.

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Tentative next audit date:	12/2019
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Company Representative	
Designation:	<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Other, please specify:
Name:	Soo Kim Huat
Position:	General Manager
Tel:	+605-401 1123
Email:	cahaya994@gmail.com
PCI Audit Team Leader	
Name:	Dominic Retan Giah
Area of expertise	Forestry, plantation management, health & safety, EIA expert
Tel:	+603-5525 8359
Email:	info@pci.com.my
PCI Audit Team Member 1	
Name:	Tee Kee Hu
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)	Environmental, health & safety, HIRARC
PCI Audit Team Member 2	
Name:	Lim Aik Loong
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)	Social economic, quality management, business management