

PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)

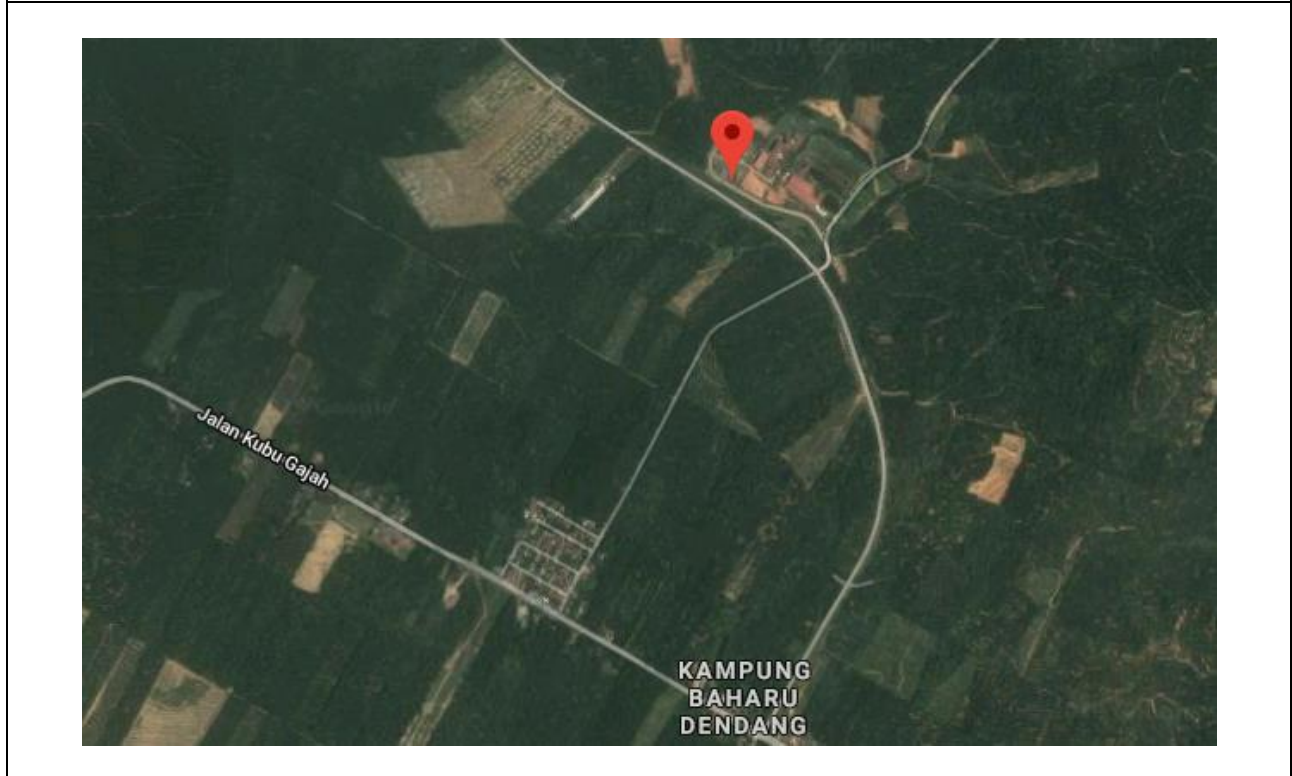
5A, Jalan Anggerik Eria AU 31/AU
 Kota Kemuning, 40460 Shah Alam
 Selangor, D. E. Malaysia
www.pci.com.my / +603-5525 8359

**MSPO Audit Summary**

Company Name:	Selama Oil Mill Sdn Bhd
Address:	Lot PT 3745, Ladang Felcra, Sungai, Jambu II & III, Kubu Gajah, 34130 Selama, Perak
Reference No.:	100044
Standard(s):	MS 2530-4:2013
MPOB licence no: (for group certification, list all licences no. in the group)	1. 578670-004000
MPOB licence scope of activity:	1. Menjual dan mengalih FFB
MPOB Licence expiry date:	1. 30/11/2019
Audit Type:	<input checked="" type="checkbox"/> Stage 2 Audit <input type="checkbox"/> Surveillance Audit <input type="checkbox"/> Re-certification Audit
Audit scope:	Provision of Palm Oil Milling
Sites sampled: (for group certification only)	n/a

GPS Coordinate:	5.178387, 100.715690
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Map showing approximate location of certified entity:



Audit date:	13/05/2019 to 14/05/2019
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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 30.0 mt. FFB/hour 6.1 mt./hour 1.6 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

This assessment was single site certification as a palm oil mill. Stage 1 audit was performed on 09/04/2019 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 from 13/05/2019 to 14/05/2019 and improvement was sighted since last visit. MSPO Policy was established on 15/07/2018. Internal audit was performed on 11/03/2019 and total of 11 CARs were reported and reviewed during management review on 26/03/2019. Improvement Plan form was established to document improvement opportunities identified and facilitate implementation and monitoring of improvement actions.

MSPO related information includes Policies are communicate to internal and external stakeholders. The policy was displayed on notice board. Weekly briefing to employee on relevant MSPO requirements was conducted and the attendance dated 09/05/2019 was sighted. Stakeholder consultation meeting conducted on 02/09/2018 & 13/09/2018 and participated by 7 neighbourhood representatives and local authority (BOMBA) and local community. Discussion and outputs of the meeting included introducing MSPO Policies and exposure to MSPO requirements and no negative feedback raised accordingly. Traceability compliance inspection conducted quarterly and sample of Inspection performed by Traceability Officer on 25/03/2019 and reported all in compliance at the moment.

Legal Register was reviewed in Feb 2019. Legal Compliance Evaluation form was also available. Land title with sketch plan for the mill was available.

Good Social Practice Policy & Workplace Sexual Harassment & Violence Policy were established. Social Impact Assessment was conducted on 20/02/2019. There was no complaint, no other

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grievances recorded and no disputes from any of the stakeholders at the moment during audit. Staffs & General Workers List including names, gender, date of birth, date of entry, wage and the employment period were updated on 02/05/2019. Job Description for general workers / operators, charge-men / electricians were sampled and recorded. Letter of Appointments and payslips were sighted for 3 sampled employees and found ok. Training Needs Identification form were available for Process including Shift A & B, Workshop Electrical / Mechanical, Dry Long Fibre & Office departments respectively. Training Plan 2019 was established and 3 trainings were conducted at the moment during audit.

Occupational Safety & Health Policy was also established and approved by Director on 15/07/2018. HIRARC was conducted on 15/07/2018 and 1st review on 21/02/2019. The highest risk found in sterilizer process with a risk rating of 20 (high) relating to 'membuka & menutup pintu Sterilizer No. 1, 2, 3 and risk controls implemented. Safety & Health Committee Organization Chart was established and last committee meeting was conducted on 22/03/2019. Emergency drill including fire evacuation, chemical spill & medical emergency was performed on 26/04/2019. No accident reported in year 2018 to update at the moment.

Environmental Policy was established and sighted Environmental management programme for Boiler Upgrading with the objectives and targets to ensure stack emission for dust meets the Clean Air Regulation 2014 by June 2019. The Environmental aspect and impact register listed out 26 tasks / activities / processes which have multiple aspects and accompanying impacts. The mill had also installed a turbine as a renewable source of power supply during the operation. Sighted during the site visit assessment at the scheduled wastes store. Schedule wastes were marked as per requirement. Labelling contain the hazard sign, Schedule waste code and date of generation. Final discharge of POME was monitored on a daily basis. The allowable volume to discharge per day is at 449.28 m3/day. Water Sampling collected by external lab is carried out monthly. The POME final discharge was also monitored by a pH Strip to identify the pH level. However, pollution control at workshop was not effectively implemented as per NCR 1 of 1.

There are 14 safe work procedures covering from FFB Receiving yard – Water Treatment plant. During site visit necessary PPE was worn by the workers in each station. No harmful or negligence act was sighted during onsite assessment. SELM FY2019 Projection Sep 18 – Aug 19 for Financial year 2019 was sighted. Sighted FFB pricing mechanism for Cahaya Pertanian Sdn Bhd. FFB Price calculation and payment for current delivery was made in the early month of the following month. Sighted contractor induction program for Boiler Upgrading Programme. Trainer – Ahmad Zaidi B Mohd Din. Attached the attendance List with the worker's contractors' signature. Among the topics covered under the contractor induction programme was safety requirement, MSPO requirements, permit to work, and other necessary requirements.

Listing of strength / strong point identified:

No	Strength Statement
1.	<i>The organization had established good rapport with the stakeholders.</i>

Listing of improvement potential / opportunities for improvement (OFI)

No	OFI Statement
1.	<i>List of applicable legal & other requirements was recorded. It would be worth to include the specific requirements stated in DOE license of effluent pond for better monitoring purpose. Further enhancement on the compliance check for the license requirements above supporting with evidences of conformity should be also considered for better justification when performing evaluation.</i>
2.	<i>Workplace station safety inspection and DOSH inspection were performed periodically. Further enhancement on clearer elaboration on the results of the inspection / status of actions if any in the minutes of meeting should be considered for better follow up purpose.</i>
3	<i>The Mill management had analysed 26 task/processes with its corresponding aspects and impacts. However, it would be worth to specify clearer the potential aspect from canteen activities so that any impact control could be determined for continual improvement.</i>
4	<i>The organization was in the process of ordering New Signboards for all POME Effluent Ponds (Quotation sighted from Seng Hoe Seng). Further enhancement on specifying clearer the plan / frequency of desludging should be considered in order to prevent inconsistency of compliance with regulatory requirements.</i>

Listing of nonconformity (NCR)

No	Clause	NCR Statement	NCR status
1.	4.5.4.2	<i>Clause 4.5.4.2 required that an action plan to reduce identified significant pollutants shall be established and implemented. However, during on site visit, it was found that oil residues from workshop was seen flowing into the workshop's drain which was then flowing directly to an earth drain. There was lack of evidence that operational control plan been established and implemented.</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: <i>From the feedback of stakeholders interviewed, it could be discerned that the organization had established good rapport with the stakeholders. In general, there was no negative comments at the moment.</i>	

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:	05/2020
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Company Representative	
Designation:	<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Other, please specify:
Name:	Yong Chea Soon
Position:	Admin Officer
Tel:	+6013 232 8377
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PCI Audit Team Leader	
Name:	Tee Kee Hu (TEE)
Area of expertise	Environmental, Safety & Health, HIRARC
Tel:	+603-5525 8359
Email:	tee.kh@pci.com.my
PCI Audit Team Member 1	
Name:	Muhammad Khaidir Bin Zulkornain (KHA)
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)	Plantation Management & Bio-Compost
PCI Audit Team Member 2	
Name:	
Position:	<input 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)	