



# PLATINUM SHAUFFMANTZ VERITAS

Reliable And Practical Certification

## PUBLIC SUMMARY REPORT

MS 2530 -3: 2013

Malaysian Sustainable Palm Oil (MSPO)

Part 3: General Principles for oil palm plantations and organised smallholders

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**NAME OF CLIENT** : FELCRA A7 ZONE KLUANG  
**STANDARD** : MS 2530-3:2013  
**DATE OF -**  
**INITIAL AUDIT STAGE 1** : 23TH APRIL 2019  
**INITIAL AUDIT STAGE 2** : 7TH AND 8TH MAY 2019

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**1.0 Audit Process**

**1.1 Objective**

The objectives of this audit are:

- To confirm that the management system conforms with all the requirements of the audit standard
- To confirm that the organisation has effectively implemented the planned management system
- To confirm that the management system is capable of achieving the organisation's policy and objectives.

**1.2 Scope of Certification**

- Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches

**1.3 Appointment of team members and reviewer (Qualification of audit team)**

**1.4 Audit Plan**

The audit approach consists of the following steps:

- Contract review;
- Appointment of team members and technical reviewer;
- Contact client for relevant documentation according to the applicable MSPO standards;
- Audit planning;
- Background investigation, desk review of submitted documents;
- On-Site assessment, inspections, interviews with operational personnel, stakeholders and its contractors; review of documentation;
- On-site reporting
- Resolution of non-conformance (NC) (if any)
- Draft audit reporting
- Technical review
- Final audit reporting
- Peer review
- Address Peer Review Comments (if any)
- Final approval and issuance of certificate



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**2.0 Methodology (Scope of Certification Audit)**

**2.1 Description of the certification unit**

Assessing past implementation from quality records that are required by the standard. (PAPER)

Assessing current implementation from observing current practices. (PRACTICE)

Assessing future maintenance from interviewing personnel on understanding and assessing competencies. (PEOPLE)

**2.2 Description of the supply base**

There are 4 estates as supply base.

**3.0 Organisation Information**

**3.1 Description of the certification unit**

There are 4 units for this zone with total hectarage of 4,869.46 ha of which only 4,481.36 ha were planted. The unit is represented by 2 estates namely Sg. Sepuluh and Sg. Sembrong Estates. The breakdown of the estates (unit) is stipulated in para 3.2 below.

**3.2 Description of the supply base (including planting profile)**

Name of Supply Base	Coordinate	
	Latitude (N)	Longitude (E)
Sg. Sepuluh	2.048189	103.331955
Sg. Sembrong	2.213384	103.537103
Sungai Kahang	2.148055	103.478393..
Simpang Renggam	1.786453	103.33882 ..

Name of Estate(s)	Total Area (Ha)	Planted Area (Ha)
Sungai Sepuluh	2484.11	2152.244
Sg. Sembrong	. 1068.733. ..	1000.356
Sungai Kahang	. 1303.867.	966.476 ..
Simpang Renggam	. 1136.061.	. 911.439

**3.3 Production Volume**

**NOT APPLICABLE**

**3.4 Planting Program for each estate :**

Year / estate	2018	2019	2020	2021	2022	2023	2024	2025
NOT APPLICABLE								

**3.5. Replanting program for each estate:**

Year of replanting	Planted area (ha) in each estate								Total area to be replanted (ha)
	2018	2019	2020	2021	2022	2023	2024	2025	
No confirmed plan for replanting.									

**3.6. Maps of Company Location, Plantations and Organised Smallholders**



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Please see attachments.

#### 4.0 Certification Assessment

##### 4.1 Stage 1 Audit

- The Stage 1 audit was conducted on **23.04.2019**.
- The objective of the Stage 1 is to assess the readiness of the documentation established and implemented in accordance to MSPO 2530-2/3:2013.
- According to the Certification Scheme, an initial due-diligence audit for operators which are entering into the MSPO system, and which do not have any certification or those having management system certification e.g. ISO, COP.
- These organizations shall undergo both Stage I and II audit
- The audit team has applied the Malaysian Sustainable Palm Oil Part
- The Stage I audit was conducted on **23.04.2019** at **Felcra Berhad Sg. Sepuluh** covering the following activities:
  - Onsite interviews and inspections;
  - Review of documentation for compliance to relevant P & C requirements for plantation and mill; □ Reporting of issues concern during Stage I audit;

##### 4.1.1. Stage 2 – Certification audit:

- The Stage 2 audit was conducted on **7-8.04.2019**.
- The objective of the Stage 2 is to assess the documentation established and implemented in accordance to MSPO 2530-3 :2013 **(GENERAL PRINCIPLE FOR OIL PALM PLANTATION AND ORGANIZED SMALLHOLDERS)**
- According to the Certification Scheme, an initial due-diligence audit for operators which are entering into the MSPO system, and which do not have any certification or those having management system certification e.g. ISO, COP.
- These organization has done Audit Stage I.
- The audit team has applied the Malaysian Sustainable Palm Oil Part 2.
- The Stage I audit was conducted on **23.04.2019** and covering the following activities:
  - Onsite interviews and inspection



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- Review of documentation for compliance to Principle and Criteria of MSPO.

**4.2 Stakeholders' Consultation**

4.2.1 A stakeholders' consultation meeting was conducted on **8.5.2019** to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements.

The topics of discussion are as below:

- a. Introduction
- b. Development of oil palm plantations
- c. Community service and support provided Wildlife management and wildlife corridor
- d. Type of wildlife sighted.
- e. Local communities' development.

4.2.2 The following relevant Principles & Criteria of the applied standard have discussed during the stakeholders' consultation:

Item	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Relationship between Felcra and stakeholders	<p>Interview with:</p> <ol style="list-style-type: none"> <li>1. Saiful Nor Al Amin (External - Ladang Al Mustakim, Manager)</li> <li>2. Jamaludin Sarban (External - Ladang Al Mustakim, Penasihat)</li> <li>3. Omar Kunja Ali (External - Peserta Felcra)</li> <li>4. Wahid Ghani (Internal - Mandor Ladang)</li> <li>5. Botu (Internal - Pekerja TKA)</li> <li>6. Nor Soleha Basiren (Internal - GPS)</li> </ol> <p>Found that there was no issue on relationship between Felcra and stakeholders (internal &amp; external). Communications are easy as the stakeholders knows who to reach out if needed.</p> <p>However, in general external stakeholders are unaware on the complaint &amp; grievance procedure which already established in the estate.</p>	



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**4.3. Status of Non-Conformities Previously Identified :**

Kindly tick (/) to the related information / non-conformance

	The stage 1 audit findings of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS implemented to address identified audit findings. Details of the follow up action taken on stage 1 audit findings were recorded in the Stage 1 audit report.
	The last audit results of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS implemented to address any nonconformity identified.
	The last audit results of this system have been reviewed, in particular to assure appropriate correction and corrective action HAS NOT been implemented effectively. Non-conformity will be re-raised.
	Not applicable. No non-conformity raised in previous audit.
<p><i>Note 1: If a minor non-conformity raised in last audit, is not closed out, then this finding will be re-raised to a Major nonconformity.</i></p> <p><i>Note 2: All minor NCs raise in last audit are required to capture in this report together with the closing of the non-compliance.</i></p>	

**5.0 Conclusion**

Detail of Audit Findings Identified During This Audit

Audit Outcome	
Major NCR	03
Minor NCR	01
Area of Concern (AOC)	AOC were raised during audit stage 1.
Opportunity for Improvement (OFI)	05
Observation (OBS)	

**6.0 Recommendation**

- The audit team conducted a process-based audit focusing on significant aspects/risks and objectives required by the standard(s). The audit methods used were interviews, observations, sampling of activities and review of documentation and records.
- The structure of the audit was in accordance with the audit plan included in to this summary report.
- The audit team concludes that the organization has established and maintained its management system in line with the requirements of the standard(s) and demonstrated the ability of the system to achieve requirements for products and/or services within the scope and the organization's policy and objectives. Therefore the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity that this management system certification be :

	No NCR recorded. Recommended to continue certification
	Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit
	Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.
	Recommended to continue certification
	Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s) ..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.



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Prepared by:

BADRUL HISYAM HJ BAHRIN  
-Lead Auditor

8<sup>th</sup> May 2019

Date

Accepted by  
client:

Name : HAMDAN KAMIS  
Designation : PENGERU KAWASAN

8<sup>th</sup> May 2019

Date