



SIRIM QAS INTERNATIONAL SDN. BHD.
MANAGEMENT SYSTEM CERTIFICATION DEPARTMENT
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File Reference:
ES10170025

PUBLIC SUMMARY REPORT
MALYSIAN SUSTAINABLE PALM OIL (MSPO)

Type of certification : Stage 2 Initial Certification / Surveillance / Recertification
~~Individual certification~~ / Group Certification

Organization : Sime Darby Plantation (Sabah) Sdn. Bhd.

Address : Binuang Strategic Operating Unit 28
91207 Kunak, Sabah, Malaysia

Audit date : 23 - 24 October 2017

Standard : Malaysian Sustainable Palm Oil (MSPO)

MS 2530-2:2013 General principles for independent smallholders

/ MS 2530-3:2013 General principles for oil palm plantations and organized smallholders

MS 2530-4:2013 General principles for palm oil mills

Scope of certification : Production of Sustainable Fresh Fruit Bunches (FFB)

Lead auditor : Mohd Zulfakar Kamaruzaman

Auditor : Ruzita binti Abd Gani
Amir Bahari

Report by lead auditor

Name : Mohd Zulfakar Kamaruzaman

Signature : 

**PUBLIC SUMMARY REPORT
MALAYSIAN SUSTAINABLE PALM OIL (MSPO)**

1.0 Introduction

1.1 Description of the organization

Sime Darby Plantation (Sabah) Sdn. Bhd, Strategic Operating Unit (SOU) 28 consist of Binuang palm oil mill, Binuang estate, Tingkayu Estate, Sungang Estate and Jeleta Bumi Estate. As required by MSPO scheme requirements, this report described MSPO group certification comprise of Binuang estate, Tingkayu Estate, Sungang Estate and Jeleta Bumi Estate. Compliance against MS2530-3: General principles for oil palm plantations and organised smallholders. All the said estate have supplied their fresh fruit bunches (FFB) to Binuang palm oil mill.

1.2 Location and hectarage statement

The GPS location of the estate administration office as follows:

Group members	Location		
	Latitude	Longitude	Address
Binuang Estate	4° 25' N	118° 26' E	91207 Kunak, Sabah, Malaysia
Sungang Estate	4° 39' N	118° 07' E	91207 Kunak, Sabah, Malaysia
Tingkayu Estate	4° 24' N	118° 30' E	91207 Kunak, Sabah, Malaysia
Jeleta Bumi Estate	4° 40' 30" N	118° 15' 10" E	91207 Kunak, Sabah, Malaysia

Group members	Planted area (ha)	Total area (ha)
Binuang Estate	2,673.02	3,271.08
Sungang Estate	1,959.62	2,786.41
Tingkayu Estate	2,387.70	2,546.98
Jeleta Bumi Estate	2,771.65	3,099.37
Total	9,791.99	11,703.84

1.3 Description of supply base (fruit sources)

All four estates i.e. Binuang, Sunggang, Tingkayu and Jeleta Bumi estates have supplied their fresh fruit bunches (FFB) to Binuang Palm Oil Mill.

1.4 Other certification held (ISO or other sustainability scheme)

SOU 28 was certified to the RSPO MYNI:2014 P&C by SIRIM QAS International Sdn Bhd on 13 July 2015.

1.5 Organizational information / contact person

The details of the contact person for SOU 28 Binuang is as shown below:

Name : Mohd Safirus Hailani
 Position : Manager, Binuang Estate / MSPO Group Manager
 Address : Ladang Binuang, P.O Box 130, 91207 Kunak, Sabah, Malaysia.
 Phone no. : +6089-855197
 Email : ldg.binuang@simedarby.com

1.6 Tonnage certified

FFB Production	Metric Tonnes (mt)
Actual FFB production for the reporting period May 2016 to April 2017	146,389.81
Estimate FFB production for the reporting period May 2017 to April 2018	171,002.07

**PUBLIC SUMMARY REPORT
MALAYSIAN SUSTAINABLE PALM OIL (MSPO)**

2.0 Audit process

2.1 Audit methodology

The MSPO initial certification audit consist of stage 1 and stage 2 audit however for SOU 28 the stage 1 audit was waive due to they have obtain RSPO certification with SIRIM QAS International. The Stage 2 audit of Binuang SOU 28 was conducted on 23 - 24 October 2017 where the audit focused mainly on the conformance of the group members against the requirements of certification standard i.e. MS 2530-3: 2013 General principles for oil palm plantations and organised smallholders

The audit was conducted based on sample as defined in the MSPO Certification Requirement for Group Certification. Under this requirement, the sample size was based on the formula $(0.8\sqrt{y}) \times (z)$; where y is total number of group members and z is the risk factor defined by the risk assessment. Based on the risk assessment, the risk factor was determined as low i.e. risk factor = 1.0 and Sungang Estate and Tingkayu Estate have been selected to be sampled during stage 2. During Stage 2 audit, the audit team had visited the field, linesite workshop, chemical store, waste collection areas and other surrounding facilities such as clinic, surau and canteen to verify the implementation of the MSPO MS2530-3:2013. Interviews with the team management, employees, contractors and surrounding estate, relevant government agency and other relevant stakeholders. Apart from the above, records as well as other related documentation were also evaluated. In addition, the audit team has verified the MPOB license and its validity.

It is important to note that the finding from this audit is based on samples taken from the organization activities, procedures, records and interview. Statistically, there is always a possibility that one or more issues/areas will remain unidentified during the course of this audit. The absence of non-compliance in any area or activity does not necessarily imply that no lapses or non-compliance exist.

2.2 Date of next surveillance visit

If the company is certified, the first surveillance audit will be conducted within 12 months from the decision date.

2.3 Qualification of audit team

Audit team members	Role/area of coverage	Qualification/education/working experience
Mohd Zulfakar Kamaruzaman	Audit team Leader Social issues, employment condition & Biodiversity	Holds a B.Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operation. He has been qualified as a RSPO Lead Auditor for the past 2 years.
Ruzita Abd Gani	Audit team member Occupational health and Safety & environment	Holds a Bachelor in Chemical Engineering and 6 years of experience in the palm oil milling. She had been involved in auditing of EMS and OHSMS for the past 16 years at oil palm plantation and other industries. She is also a qualified RSPO lead auditor and a DOE registered Environmental Auditor.
Amir Bahari	Audit team member / Good agriculture practices, Safety & Health issues	Holds a B. Sc. (Hons) in Agriculture, he had work with Sime Darby Plantation for more than 15 years of experience in estate operation and five years in palm oil mill. He has been qualified as a RSPO auditor for the past 2 years.

2.4 Certification body

SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS), and the International Automotive Task Force (IATF). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International has obtained accreditation from Standards Malaysia for its MSPO certification scheme on 25 July 2017.

**PUBLIC SUMMARY REPORT
MALAYSIAN SUSTAINABLE PALM OIL (MSPO)**

2.5 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the SIRIM QAS International's websites starting from 22 September 2017. Until the completion of on-site Stage 2 audit, there was no comment received for this group members.

3.0 Summary of Audit Results

3.1 Non-conformity report (NCR) raised

Total no. of major NCR(s) : 1

Total no. of minor NCR(s) : 0

3.2 Audit conclusion

The audit team concludes that the organization has established and implemented the requirements of the MS 2530-3:2013 General principles for oil palm plantations and organized smallholders, based on the results of this audit, therefore, the audit team recommends

No NCR recorded. Recommended for 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 for certification.

Recommended to continue certification.

PUBLIC SUMMARY REPORT
MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

Location map of SOU 28 Binuang

