



SIRIM QAS INTERNATIONAL SDN. BHD.
MANAGEMENT SYSTEM CERTIFICATION DEPARTMENT
SIRIM Complex,
1, Persiaran Dato' Menteri, Section 2,
40700 Shah Alam, Selangor Darul Ehsan, Malaysia

File Reference:
EP03130001

PUBLIC SUMMARY REPORT
MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

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

Organization : Pineapple Cannery of Malaysia Sdn. Bhd.

Address : Ladang Ayer Baloi, Jalan Parit Panjang, 82100 Ayer Baloi, Johor

Audit date : 2nd – 4th April 2019

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 : Hazani Othman

Auditor : Amir Bahari

Report by lead auditor

Name : Hazani Othman

Signature : *Hazani Othman*

**MALAYSIAN SUSTAINABLE PALM OIL (MSPO)
STAGE 2 INITIAL CERTIFICATION AUDIT REPORT
[INDIVIDUAL CERTIFICATION]**

1.0 Introduction

1.1 Description of the organization

Pineapple Cannery of Malaysia Sdn Bhd (Pineapple Cannery) is a subsidiary of Kumpulan FIMA Berhad (KFima). KFima was incorporated in 1972. KFima own and operate estates in Malaysia and Indonesia with total land bank of 30,898 hectares. A total of 13,932 hectares has been planted with oil palm of which 2,846 ha in Peninsular Malaysia, 4,714 ha in Sarawak and 6,372 ha in Indonesia.

Pineapple Cannery has three (3) main estates planted with oil palm i.e. Ladang Ayer Baloi, Ladang Kota Tinggi and Ladang Machap. Ladang Ayer Baloi, consist a small division called Pekan Nanas. Pineapple Cannery started planting oil palm on year 1985 at Ladang Kota Tinggi, 2007 at Ladang Machap and 2008 at Ladang Ayer Baloi. Total oil palm planted is 1,013.26 hectares. Pineapple Cannery currently 74% cultivated with oil palm and 26% cultivated with pineapple.

Ladang Ayer Baloi established in 1984 as pineapple plantation. Ladang Ayer Baloi is located about 25 km from Pontian Kechil town and can be assessed through gazette public road. The management is headed by Estate Manager, Mr Mohd Rashidi bin Mohd Yazid. He currently assisted by two (2) assistant managers. Current workforce strength is 84 workers comprising 22 locals and 47 Indonesian workers, and 15 Bangladeshi workers.

Ladang Machap was established to plant oil palm on year 2007. The estate is located about 7.5 km from Simpang Renggam town and can be assessed through gazette public road. The estate currently planted with 100% oil palm. The management is headed by Senior Assistant Manager Estate, Mr Muhammad Najib Bin Salehin. Current workforce strength is 8 workers comprising 1 local and 7 Indonesian workers.

Ladang Kota Tinggi established in 1972 as fruits plantation. In year 1985 the estate was replanted to oil palm. Ladang Kota Tinggi is totally 100% cultivated with oil palm. Ladang Kota Tinggi is located about 12.5 km from Kota Tinggi town and can be assessed through gazette public road. The management is headed by Senior Assistant Manager, Mr Engku Muhammad Adha Bin Engku Hussin. He currently assisted by one (1) Field Officer (Executive). Current workforce strength is 32 workers comprising 9 locals and 13 Indonesian workers and 10 Bangladesh workers.

1.2 Location and hectarage statement

The GPS location of the estate administration office as follows:

	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
Pineapple Cannery	Ladang Ayer Baloi	1.5915	103.3327	Ladang Ayer Baloi, Jalan Parit Panjang, 82100 Ayer Baloi,
	Ladang Kota Tinggi	1.7381	103.8999	Ladang Kota Tinggi 81900 Kota Tinggi, Johor
	Ladang Machap	1.8277	103.3092	Ladang Machap 86300 Renggam, Johor.

Estate	Planted (ha)	Certified (ha)
Ladang Ayer Baloi	510.30	510.30
Ladang Kota Tinggi	418.01	418.01
Ladang Machap	84.95	84.95
Total	1013.26	1013.26

1.3 Description of supply base (fruit sources)

The FFB sourced from company owned estates that are certified.

1.4 Other certification held (ISO or other sustainability scheme)

The Pineapple Cannery estates do not hold any third party certification.

1.5 Organizational information / contact person

The details of the contact person for Pineapple Cannery estates is as shown below:

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Name : Azizul Faizei Mohd Ariff
 Position : Manager
 Address : Kumpulan FIMA Berhad
 Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45
 Jalan Medan Setia, Bukit Damansara, 50490, Kuala Lumpur, WP Kuala Lumpur
 Phone no. : 019-2604621
 Email : azizulfaizei@fima.com.my

1.6 Tonnage certified

Pineapple Cannery of Malaysia Sdn Bhd

FFB Production	Metric Tonnes (mt)
Actual FFB production for the reporting period April 2018 to March 2019	18,945.39
Estimate FFB production for the reporting period April 2019 to March 2020	22,113.33

2.0 Audit process

2.1 Audit methodology

The MSPO initial certification audit of Pineapple Cannery of Malaysia Sdn Bhd consists of Stage 1 and Stage 2 which was conducted on 24-25 January 2019 and 2-4 April 2019 respectively.

The main objective of stage 1 audit was to ensure relevant documentations were established as required, as well as to review the field conditions and the surrounding areas such as buffer zones and perimeter boundary. The Stage 2 audit focused on the conformance of the organization in reference to the requirements of certification standard of MS 2530-3:2013 – General Principles for oil palm plantations and organized small holders as well as company's Manual / Procedures. During the Stage2 audit process, the audit team has visited the followings such as:

- field,
- line-sites,
- workshop,
- chemical stores and schedule waste store,
- and other relevant facilities.

Interview with the team management, employees, contractors and stakeholders also conducted. Other than that, records as well as related documents also being evaluated.

The numbers of site audited was based on formula for calculating sample size of the audit, i.e. in accordance with Malaysian Sustainable Palm Oil (MSPO) Risk Management (Doc. No.: MPOB/MSPO/RMP/06 dated 19 Nov 2013). During this audit, two estates were sampled, i.e. Ladang Ayer Baloi and Ladang Machap.

It is important to note that the findings during the audit assessment in based on evidence from random samples taken from the organization's activities, procedures, records and interviews. Statistically, there is a possibility that there is issues/areas will remain unidentified during the course of this audit. The absent of non-compliance in any areas of 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

Member of the audit team	Roles/area of MSPO requirements	Qualification
Hazani Othman	Lead Auditor Biodiversity, social and good management practices.	A freelance auditor. Holds a Bachelor of Forestry Science and Diploma in Forestry, from the University Putra of Malaysia. He is a lead auditor for ISO 14001, FSC & MTCC FMC, CoC, RSPO P&C and MSPO P&C. Started auditing experience since 1999. Has several years of experience as Quality Management Representative (ISO 9001) and internal Lead Auditor. Has vast auditing experience in management systems, environmental, social and biodiversity conservation, particularly in forestry and oil palm sectors.

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Amir Bahari	Auditor Environmental, Good Agriculture, Safety and Health practices.	Possessed B Sc (Hons) USM 1985 and Diploma Palm Oil Milling Technology / Management 1996 MPOB. Working experience of 34 years in the oil palm industry including in the mill and estates. A qualified RSPO P & C Auditor with experience in ISO, EMS and RSPO / MSPO auditing.
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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.

2.5 Stakeholder Consultation

Stakeholder consultation was initiated with the announcement in the SIRIM QAS Intl.'s web site on 01 March 2019. This was then followed with sending letters to relevant stakeholders requesting for input (if any) regarding the company. There were no comments received during this process. Besides that, stakeholder consultation was carried out during the on-site audit. In general, there was no negative comments made against this all estates.

3.0 Summary of Audit Results

3.1 Non-conformity report (NCR) raised

Total no. of major NCR(s) : 2 Indicator: **4.4.5.3, 4.5.5.1**

Total no. of minor NCR(s) : 8 Indicator: **4.1.3.1, 4.1.4.1, 4.3.2.2, 4.4.5.4, 4.4.5.5, 4.4.4.2, 4.4.6.1, 4.6.1.1**

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

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Map of Pineapple Cannery of Malaysia Sdn Bhd

