

# MSPO INITIAL CERTIFICATION SUMMARY REPORT

<b>STANDARD:</b>	<b>MS2530-3:2013 (Part 3)</b> General Principles for Oil Palm Plantations and Organized Smallholders	
<b>PLANTATION:</b>	<b>ALMABUMI PLANTATION SDN BHD (406039-X)</b> Lot 20 & 23, Block 44, Sungai Segan, Kemena Land District, 97000 Bintulu, Sarawak.	
<b>OWNED BY:</b>	<b>BBC PLANTATION SDN BHD (380137-X)</b> Lot 1643, Junction 5 Commercial Centre, Jalan Tun Hussain Onn, 97007 Bintulu Sarawak.	
		
<b>PROJECT NO:</b>	<b>BQAS/BBC/MRN/001-5</b>	<b>JULY 2018</b>
<b>CERTIFICATION BODY:</b>	<b>BQAS Certification (M) Sdn Bhd (11179994-x)</b> Sublot 6, 2 <sup>nd</sup> Floor, Block A, Kings' Center, Simpang Tiga, 93350, Kuching, Sarawak. Tel: +6 082 572 043 Mobile: +6 017 814 1112 Email: <a href="mailto:bqassb@gmail.com">bqassb@gmail.com</a> Website: <a href="http://www.bqas.com.my">www.bqas.com.my</a>	
<b>Documented by:</b>	<b>Douglas Alau Tayan</b>	<b>22 July 2018</b>
<b>Certified by:</b>	<b>Patrick Sibat Sujang</b>	<b>29 September 2018</b>
<b>Certificate Issued on:</b>	<b>1<sup>st</sup> January 2019</b>	<b>Valid till 31<sup>st</sup> December 2023</b>

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<b>PLANTATION</b>	<b>ALMABUMI PLANTATION SDN BHD(406039-X)</b>
<b>OWNED BY</b>	<b>BBC PLANTATION SDN BHD (380137-X)</b>
<b>PROJECT NO</b>	<b>BQAS/BBC/ALB/001-2</b>

### 1. INFORMATION: CERTIFICATION ASSESSMENT

1.1	Type of Assessment:	Initial Certification Audit	
1.2	Scope of MSPO Certification:	Individual Certification	
1.3	MSPO Standard:	MS2530-3:2013	
1.4	Maps: (Refer Attachments)	1.	Google – Location
		2.	Land and Survey Department Map of Almabumi Plantation Sdn bhd
		3.	Location of Workers' Quarters
		4..	Block Markings of Almabumi Plantation Sdn. Bhd.
		5.	Stakeholders' Consultation
	Geo-Coordinates:	N 3°03'55.2'' E 113°0.3'34.0''	

### 2. INFORMATION ON CERTIFIED ENTITY

2.1	Name of Plantation: Location:	Almabumi Plantation Sdn Bhd (380137-X) Lot 20 & 23, Block 44, Sungai Segan, Kemena Land District, 97000 Bintulu, Sarawak		
	Wholly owned by:	<b>BBC PLANTATION SDN BHD (380137-X)</b>		
2.2	Main Office Address:	Lot 1643, Junction 5 Commercial Centre, Jalan Tun Hussain Onn, 97000 Bintulu Sarawak.		
2.3	Management/Contact Details:			
	Mr. Christopher Yek Nae Tsuey Managing Director	Tel: 086-313441	Email: <a href="mailto:admin@bbcgroup.com.my">admin@bbcgroup.com.my</a>	
	Mr. Lawrence Bina Plantation Manager	Tel:086-313441	Email: <a href="mailto:lawrence.bina@bbcgroup.com.my">lawrence.bina@bbcgroup.com.my</a>	
2.4	MPOB License No:	531770002000	Expiry Date:	31-07-2019
	Scope of Activity:	Menjual dan Mengalih BTS		
2.5	Certified Area:	4,400 HA	Planted Area:	4,400 HA
			Conserved Area:	
2.6	FFB Annual Production:	Estimated: 2019	97,000 Metric Ton	
2.7	Date of Certification:	1 January 2019	Validity:	5 years / December 2023

2.8	Other Sustainability Certification:	Nil
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### 3. ASSESSMENT: AUDIT TEAM / METHODOLOGY / PLAN / PROCESS

3.1 AUDIT TEAM	
The Audit Team:	Name: Role
Stage 1 Audit Date: 17 May 2018	Dominic Retan Giah Lead Auditor
	Wilfred Landong Auditor
	Charles Tibok Auditor
	Douglas Alau Tayan Auditor
Stage 2 Audit Date: 19 July 2018	Dominic Retan Giah Lead Auditor
	Wilfred Landong Auditor
	Charles Tibok Auditor
	Douglas Alau Tayan Auditor
Dominic Retan Giah	Lead Auditor
Qualifications:	
<ul style="list-style-type: none"> <li>• Bachelor of Science in Wood Science &amp; Technology, Colorado State University, Fort Collins; 1987,</li> <li>• Diploma in Wood Technology, Institut Teknologi MARA (UiTM), Shah Alam; 1983,</li> <li>• St Joseph School, Kuching, Sarawak; 1963-1975</li> <li>• Attended and successfully completed and passed the MSPO Lead Auditor Course by DQS (Malaysia) in Setia Alam, Selangor from 26<sup>th</sup> to 30<sup>th</sup> Jan 2015.</li> <li>• Conducted more than 40 days audit for MSPO since year 2016.</li> <li>• Completed 30 days on-site audits as Lead Auditor for MSPO P&amp;C scheme.</li> </ul>	
Wilfred Landong	Auditor
Qualifications:	
<ul style="list-style-type: none"> <li>• Advanced Dip in Business &amp; Management, WGIHE, UK</li> <li>• Degree in Marketing, CIM, UK</li> <li>• Masters in Marketing, UNN, UK</li> <li>• Qualified &amp; successfully completed MSPO Lead Auditor Course (Pioneer Group) on 30<sup>th</sup> January, 2015</li> </ul>	
Charles Tibok	Auditor
Qualifications:	
<ul style="list-style-type: none"> <li>• Quantity Surveying, UK</li> <li>• Lead Auditor Course in 2017</li> </ul>	Bachelor of Science (Hons) in Successfully completed MSPO
Douglas Alau Tayan	Auditor
Qualifications:	
<ul style="list-style-type: none"> <li>• Diploma Agric.(UPM, M'sia),</li> <li>• B. Agr. Sc. (USA),</li> <li>• M.Sc. Agr. Sc. (USA).</li> <li>• Passed the Certified ISO 14001:2015 Lead Auditor Training Course and currently doing Lead Auditor-in-Training for several oil palm plantations and mills.</li> <li>• MSPO Peer Reviewer Training (14-15/06/2017) by MPOCC, &amp; ISO/IEC 17021-1:201</li> <li>• ISO/IEC 17021-1:2015 Conformity Assessment – Requirements for Bodies Providing Audit and Certification of Management Systems organized by Saytech General Inspection Services Sdn. Bhd. - 5<sup>th</sup> – 6<sup>th</sup> December, 2017</li> <li>• Audit Report of MSPO and RSPO Certification (P &amp; C Part 3 &amp; 4); Stage 2 of 5 Oil Palm Plantations and 4 Palm Oil Mills since 2017.</li> </ul>	

3.2	AUDIT METHODOLOGY
	<p>The Audit was carried out in conformity with the procedures as laid down in the BQAS Procedure Manual and the MSPO Program Manual for the auditors and Certifier. During the Audit the qualified BQAS auditors used the MSPO standard as endorsed for the country in which the audit took place and recorded their findings.</p> <p>Workers and local communities were interviewed and evidence sought to confirm ongoing compliance to include:</p> <ul style="list-style-type: none"> <li>• <b>Chemical stores.</b> Storage, MSDS leaflets, Herbicide mixing areas, PPE, Ventilation, Security.</li> <li>• <b>Field inspections.</b> Herbicide application programs. Harvesting sites and efficiency. Fertilizing operations. SOP's. Soil maps. Land preparation. Ground cover. IPM. First aiders and boxes, Soil erosion. Field observations of all operations.</li> <li>• <b>Worker interviews.</b> OSH. Sexual, religious, racial harassment. Pay and contracts. Child labor. First aid. Awareness.</li> <li>• <b>Re-planting sites.</b> Zero burn.</li> <li>• <b>Water management.</b> Water courses. Water monitoring.</li> <li>• <b>Road maintenance.</b> Run off.</li> <li>• <b>Social amenities.</b> Social Impact Audits.</li> <li>• <b>Local communities.</b> Contributions made. Employment opportunities. Social impacts. Complaints procedures.</li> <li>• <b>Workshops.</b> Oil traps. Safe working environment. PPE. Diesel tanks. Environmental waste management.</li> <li>• <b>Line sites.</b> Interviews with householders. Inspection of water discharge points. Water improvement plans. Waste disposal.</li> <li>• <b>Documentation review.</b></li> </ul> <p><b>Verification:</b> Verification of implementation was done through field observations, workshop and chemical store inspections, worker and community interviews and mill inspections as summarized above.</p> <p>Verification of effectiveness of taken corrective actions regarding previously identified nonconformities</p>

3.4	AUDIT PROCESS			
	The Audit Process for both Stage 1 & 2 Assessments were conducted similarly as follows:			
	No	Process	Description	
	1	Public Notification	Notice issued 1 month before audit dates	
	2	Audit Plan	Auditee receives 2 weeks before audit dates	
	3	Day 1: Assessment	Opening Meeting & Documentation Audit	
	4	Day 2: Assessment	Plantation Site Audit & Closing meeting	
	5	Audit Report / Findings	Report / Checklists: review, discuss & decide corrective & forward action to be taken with Auditee	
4	SUMMARY OF FINDINGS			
STAGE 1 AUDIT				
No of Findings:	4	Classification	AWF	Acceptable with findings noted
Areas of Findings:	Internal Audit, Management Review, Continual Improvement, Social Impact Assessment (SIA), Employee Safety & Health, Environmental Management Plan, Waste Management Plan, Zero Burning practices			

STAGE 2 AUDIT	
No of NC	2 Minor NCS
No of OFI	NIL
Area of NC	<p><b>Minor NC 01 : Aspect of standard:P4C4I2d: Employees safety and health</b></p> <p>The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p><b>Evidence of non-conformity:</b></p> <p><b>At the work site, a harvester was observed to be working without gloves, although he did complain about being pricked by thorns on the fruit bunch.</b></p>
CAR Closed	Corrective Action Report closed on 28 <sup>th</sup> September, 2018.
Area of NC	<p><b>Minor NC No. 2 : Aspect of standard: Part 4, P5C3I2: Waste management and disposal</b></p> <p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products.</p>
CAR Closed	Corrective Action Report closed on 28 <sup>th</sup> September, 2018
Areas of OFI	Nil
CAR Closed	Not applicable

## 5 CERTIFICATION RECOMMENDATIONS

### Introduction

Almabumi Plantation Sdn Bhd (Sungai & Bukit Estates) is located at Lot 20 & 23, Block 44, Sungai Segan, Kemena Land District, 97000 Bintulu, Sarawak. As a subsidiary of the BBC Plantation Sdn Bhd, it had been desirous of obtaining MSPO accreditation to comply with the government aspiration for all planters (smallholdings and plantations) and millers to achieve this certification by 31<sup>st</sup> Dec. 2019. The certification for Almabumi Plantation Sdn Bhd shall be as an individual certification unit.

This report is prepared by BQAS to describe the preparedness of Almabumi Plantation Sdn Bhd (Sungai & Bukit Estates) to be certified by Malaysian Sustainable Palm Oil in accordance to the MS 2530-3:2013, Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for oil palm plantations and organised smallholders (MS2530-3:2013).

Stage 1 had been carried out on 16<sup>th</sup> May 2018 to meet with the requirement of MSPO certification procedure. The result showed that the organization had demonstrated their readiness to go for certification.

Stage 2 audit was conducted on 18<sup>th</sup> to 19<sup>th</sup> July 2018 according to MS 2530-3:2013 standard reference. The satisfactory resolution of Stage 2 audit findings indicated that Almabumi Plantation Sdn Bhd is running and operating under a sustainability management system.

The audit criteria used are the certification standards as documented in the audit schedule as well as the current management system documentation of the company.

### Report Summary

Almabumi Plantation Sdn Bhd, is participating in the certification scheme at the behest of the holding company BBC Plantations Sdn Bhd. After the Stage 1 Audit, there was a general awareness on commitment toward improving transparency and the need to follow up on the continual improvement plans. The management, staff and workers were generally supportive and eager to participate in the management system toward sustainability through MSPO.

Commitment shown by the management of Almabumi Plantation Sdn Bhd toward MSPO was evident through the display of MSPO Policy documents at strategic places in the plantation office, stores and workshops. There was a general awareness on the need for legal compliance and continual improvement plans were in place to cover both environmental aspects as well as social ones.

There was an understanding on the need to maintain proper records and to communicate information to all stakeholders. Up to the time of the Stage 2 Audit, no complaints and grievances had been recorded. This might be attributed to the company's commitment to local sustainable development. Almabumi Plantation Sdn Bhd showed that it was involved in the local community through its corporate social responsibility program.

Staff and workers had been given awareness briefing on safety and health including usage of proper PPE. Good compliance was noted towards worker safety and health and employment conditions. Training programs were implemented for workers to attain competency.

The BBC Environmental Policy indicated an awareness to protect wildlife and the conservation of their habitats. This included a training on buffer zone awareness. Posters of rare, threatened and endangered species were displayed at prominent places where workers and other stakeholders congregate such as the office and the entrance to the plantation. Environmental issues were also discussed for resolution at regular OSH meetings.

There was generally a good adherence to proper waste management and disposal. It was noted that prompt rectification for compliance was followed through after a visit to a dump pit in the plantation.

Overall Almabumi Plantation Sdn Bhd is implementing a management system that is fulfilling the requirement of the MSPO standards with some improvement areas as outlined in Section 5 of the main Audit Report.

### Stakeholders' Consultation

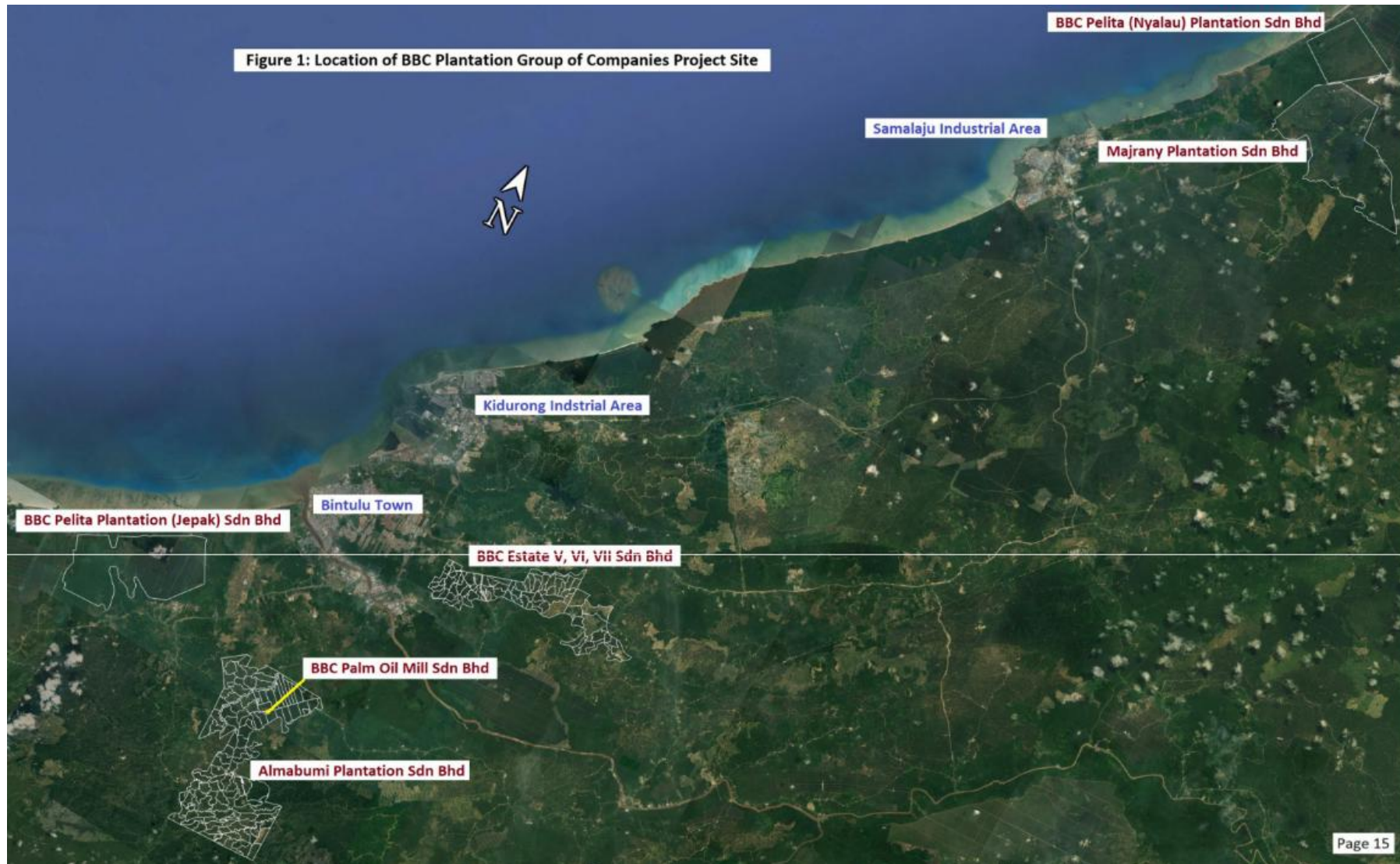
This was conducted by the selection of 2 samples (one at BBC Estate V Sdn Bhd, BBC Estate VI Sdn Bhd and BBC Estate VII Sdn Bhd, and another at Majrany Plantation Sdn Bhd) to represent the BBC Plantation Sdn Bhd as a group. The stakeholder interviewed at BBC Estate V, VI and VII Sdn Bhd was Mr Rahman bin Kadri of Tong Nyen Transportation, an FFB transporter for the plantation.

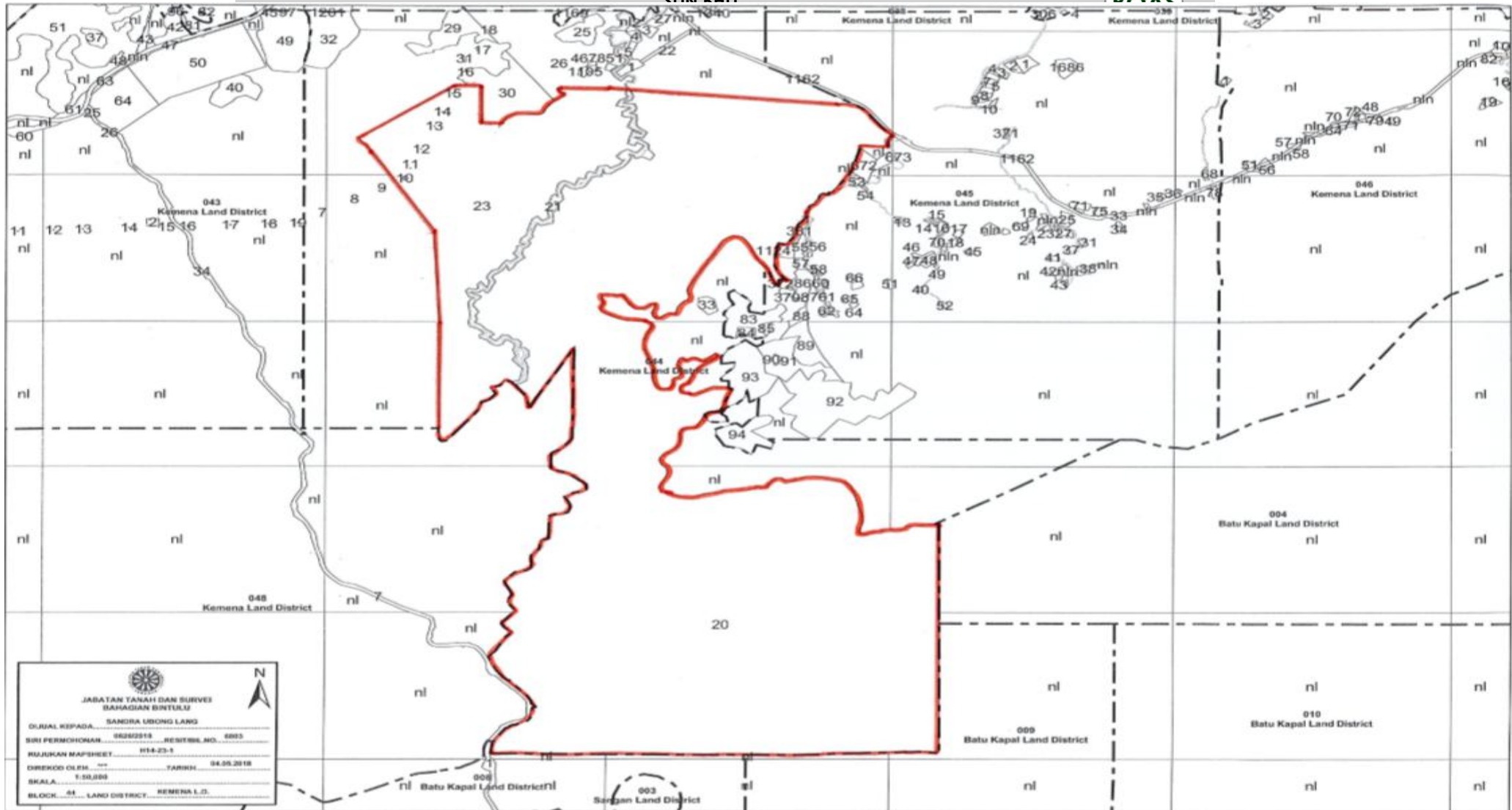
Almabumi Plantation Sdn Bhd has complied & conformed to Certification standards, conditions & requirements.

The Lead Auditor therefore recommended that Almabumi Plantation Sdn Bhd be certified under MSPO Standards MS2530-3:2013.



ATTACHMENT 1 : GOOGLE MAP LOCATION OF ALMABUMI SDN BHD

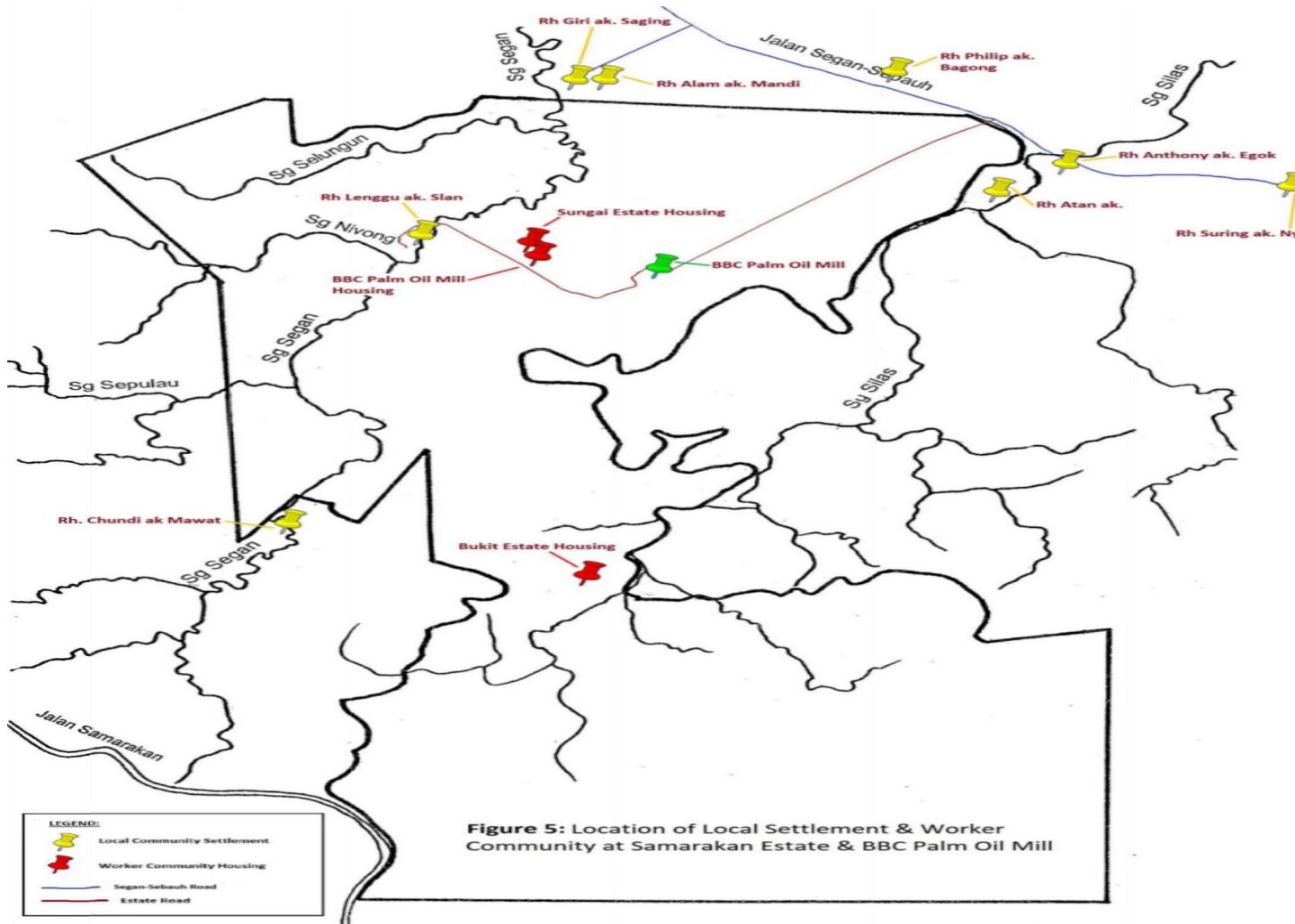


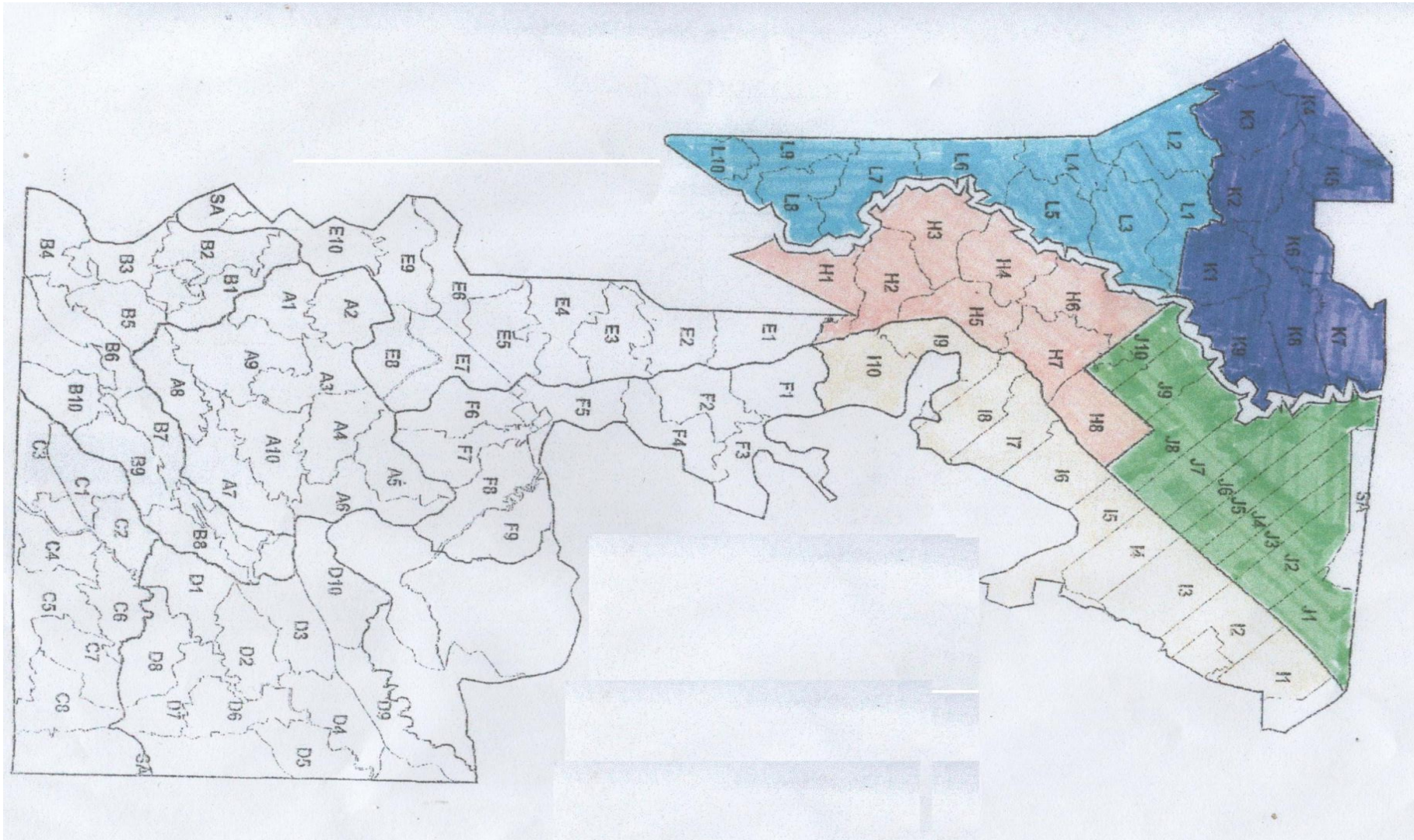


ATTACHMENT 2 : LAND AND SURVEY MAP FOR ALMABUMI SDN BHD



ATTACMENT 3 : LOCATION OF WORKERS' QUARTERS OF ALMABUMI PLANTATION SDN BHD.





**ATTACHMENT 4 : BLOCK MARKINGS FOR ALMABUMI PLANTATION SDN BHD**

## ATTACHMENT 5 : Stakeholders' consultation

### MSPO Stakeholder Consultation Report

<b>Company Name:</b>	BBC Plantations Sdn Bhd (BBC Estate VII Sdn Bhd & Majrany Plantation Sdn Bhd)		
<b>Standard(s):</b>	<input type="checkbox"/> MS 2530-2:2013	<input checked="" type="checkbox"/> MS 2530-3:2013	<input type="checkbox"/> MS 2530-4:2013
<b>Assessment Type:</b>	Oil Palm Plantation		
<b>Consultation Date:</b>	20/07/2018		
<b>Consultation Technique:</b>	<input checked="" type="checkbox"/> Meeting (to submit list of participants if available) <input type="checkbox"/> Phone interview <input type="checkbox"/> Written views and comments (mail, email etc. based on pre-determined questions) <input type="checkbox"/> Research (internet, journal or other credible literature sources)		

1.	<b>Is this stakeholder register in the organization's stakeholder list?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Remarks : A sample from a grouping of external stakeholders
2.	<b>Based on input received, is transparency of information between organization and stakeholder justified? (clause 4.2.1 &amp; 4.2.2)</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Remarks : The driver had attended the MSPO awareness briefing by BBC Estate.
3.	<b>Any feedback, complaint or grievances raised by this stakeholder before? (If Yes, please briefly explain the nature of the feedback/ complaint/ grievance in Remarks)</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Remarks : 
4.	<b>If (3) above is Yes, is the organization handle the feedback/ complaint/ grievance appropriately?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Remarks : 
5.	<b>Any land issue being raised during against the organization? (if Yes, does the issue been, or in progress of being resolved?)</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Remarks : 
6.	<b>Any social issue being raised during against the organization? (if Yes, does the issue been, or in progress of being resolved?)</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Remarks : 
7.	<b>Any environmental issue being raised during against the organization? (if Yes, does the issue been, or in progress of being resolved?)</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Remarks : 
8.	<b>Is the issue stated above being brought to the audit?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Remarks : 

Remarks, comments and opportunities for improvement:

Mr Rahman bin Kadri, the BBC Estate driver for the delivery of FFB to the BBC mill, pointed out that sorting and grading took up waiting time at the mill grading yard, indicating a vigilant in-field checking of fruit bunches would greatly reduce his downtime and increase productivity. Rejected fruit bunches would have to be collected back.

The headman of Kpg Nyalau, Mr Sung bin Bakir, appreciated the establishment of the Majrany Plantation as it provided a sustainable alternative to fishing. Far from being seasonally employed as fishermen, 6 young men from his village and several others from nearby Kedayan villagers were able to be gainfully employed as plantation workers. Value-added training for these young people would help to improve their livelihood further. The headman looked forward to a briefing on MSPO to be conducted by Majrany Plantation soon.