



SARATOK PALM OIL MILL SDN BHD

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Ref No: BQ/SAPOM/SVA3/05/21

Standard: MS 2530-4:2013

REMOTE AUDIT

Report Date: 15 08 2021

MSPO SURVEILLANCE PUBLIC SUMMARY REPORT Year 03: 2021



SALCRA

Saratok Palm Oil Mill Sdn. Bhd.

Lot 164, Block 15, Awik-Kerian Land District 95400 Saratok



BQAS Certification [M] Sdn Bhd

Lot 7823, Sublot 6, 2nd Floor, Block A, King Center,
Simpang Tiga, 93350, Kuching, Sarawak.

Tel: 082 572 043

Email: bqascertification@gmail.com

Website: www.bqas.com.my

Accreditation No: ACB MSPO CB15

MSPO SURVEILLANCE PUBLIC SUMMARY REPORT Year 03: 2021



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CERTIFIED ENTITY

MSPO Standards	<input checked="" type="checkbox"/> MS2530-4:2013	General Principles for Palm Oil Mills
Type of Certification:	<input checked="" type="checkbox"/> Individual	<input type="checkbox"/> Group
Project Ref No:	BQ/SAPOM/SVA3/05/21	
MSPO Certificate No:	BQAS P4 023-6 0420	
MSPO Certificate Validity:	30 04 2018 – 29 04 2023	
Main Office Address:	Wisma SALCRA, No 1, Lot 2220, Block 26, MTLD, Jalan Dato Mohd Musa, 94300, Kota Samarahan, Sarawak	
Contact Person / Job Title:	Puan Patricia Chan	Sustainability Executive
Telephone / Mobile:	082 621 904	016 831 2705
Email / Website:	patriciachan@salcra.gov.my	
Site Address:	Lot 164, Block 15, Awik-Kerian Land District 95400 Saratok	
Contact Person / Job Title:	En Mohd Nur'Aizad Hakeim	Mill Manager
Telephone / Mobile:	013 452 5890	019 865 6522
Email / Website	nuraizad@salcra.gov.my	

CERTIFICATION BODY

BQAS CERTIFICATION [M] SDN BHD [1179994-X]

Office Address:	Lot 7823, Sublot 6, 2n Floor, Block A, Kings' Center, Simpang Tiga, 93350, Kuching Sarawak.	
Contact Person / Job Title:	Managing Director	
Telephone / Mobile:	+6 082 572043	
Lead Auditor:	Wilfred S Landong	
Certifier:	Maxwell S Landong	

Disclaimer:

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EXECUTIVE SUMMARY

SAPOM [Saratok Palm Oil Mill Sdn Bhd] is a subsidiary of SALCRA [Sarawak Land Consolidation Rehabilitation Authority].

SAPOM is situated at Lot 164, Block 15, Awik-Kerian Land District 95400 Saratok Geo-coordinates N01° 42' 44.99" E111° 25' 35.35"; on 98 hectares land owned by SALCRA and leased to SAPOM.

This is a Surveillance Certification Report Year 3 [4th year of certification] for SAPOM & scope is Individual Certification under the Standards MSPO MS2530-4:2013 for Palm Oil Mills.

This Audit which was scheduled earlier to be conducted in March, 2021 was forcibly delayed due to compliance requirements of COVID 19 MCO [movement control order] enforced by government authorities of Sarawak & Malaysia. Eventually, to avoid prolonged delay and upon results of Risk Assessment, the planned **Onsite Audit** was changed to **Remote Audit** to ensure regulatory compliances to COVID 19 Pandemic MCO [movement control order]

Guidance documents for this Remote Audit is **MPOCC Version 3 Updated Circular [22 March 2021]**

Guidance on remote audits due to Covid 19 Pandemic Restrictions.

Risk Assessment was conducted and it was determined prior to conducting the audit that SAPOM is categorised as **low risk entity** and qualify to be audited remotely.

ICT tools and audit medias in use during this Audit include zoom meetings, google drive for uploading documents, emails, whatsapp chat group for Auditors & Auditees [clients] personnel, postings of realtime photographs evidence and other relevant virtual communication tools etc.

The assessment method follows principles of **3P** (Paper, Practice & People)

This certification assessment is a sampling process where management systems effectiveness & efficiency are confirmed via an Audit Trail that the Auditor established to make an accurate conclusion.

The following are pertinent information on LAPOM 2:

No of Employees	• 170 [all locals]
MPOB License No / Expiry date	• No: 5001 3510 4000 Expiry: 3110 2021
Production Capacity	• 60 MT of fresh fruit bunch (FFB) per hour
FFB supply base	• 37% SALCRA Estate, 63% other plantation, dealer, Collection centres and smallholders
Actual volume of FFB processed for 2020	• 208,583.00 MT
Projected volume of FFB processed for 2021	• 254,000.00 MT
Extraction Ratio	• Oil extraction ratio @ 20.27%

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Actual production volume for 2020	<ul style="list-style-type: none"> • Kernel extraction ratio @ 4.65% • Crude Palm Oil @ 42,195MT • Palm Kernel @ 9,672 MT
Projected production volume for 2021	<ul style="list-style-type: none"> • Crude Palm Oil @ 53,340 MT • Palm Kernel @ 12,700 MT
Projected pricing for 2021	<ul style="list-style-type: none"> • CPO @ RM3,861.00 MT • PK @ RM2,536.00 MT

The Remote Surveillance Audit was conducted on 26 - 27 2021; 2 Auditors; 4 mandays. The purpose of this Audit is to evaluate the implementation, including effectiveness, and continuous compliance to MSPO requirements of SAPOM management systems.

Assessments were done to assess documentation and records, milling activities, facilities and operations. Information & data were systematically gathered & documented from google drive uploads/communications, online interviews, realtime photos as evidence & review of documentations and records.

There were 2 findings classified as OFI [opportunity for improvements] on Criterion: 4.5.5.1 Water Management Plan & Criterion: 4.5.3.2 Waste Management Plan.

Corrective action report was raised on 27 05 2021 and closed out on 25 07 2021.

During SVA03, the Auditors also determined that actions to be taken on findings in SVA02 had been implemented satisfactorily and in compliance with requirements of the Standards.

The Audit team had assessed that SAPOM has continuously complied & conformed to MSPO Certification standards, conditions & requirements.

Conclusively, the Lead Auditor therefore recommended that SAPOM Certification under MSPO Standards MS2530-4:2013 Part 4 – General Principles for Palm Oil Mills to be continued and maintained.

1.0. INFORMATION: CERTIFICATION ASSESSMENT										
1.1.	<table border="0" style="width: 100%;"> <tr> <td style="width: 40%;">Type of Certification Assessment</td> <td style="width: 10%; text-align: center;"><input type="checkbox"/></td> <td style="width: 50%;">Initial Certification / Main Audit</td> </tr> <tr style="background-color: #e0e0e0;"> <td></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Annual Surveillance Audit [Year 3]</td> </tr> <tr> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> <td>Re-certification Audit</td> </tr> </table>	Type of Certification Assessment	<input type="checkbox"/>	Initial Certification / Main Audit		<input checked="" type="checkbox"/>	Annual Surveillance Audit [Year 3]		<input type="checkbox"/>	Re-certification Audit
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2.0. INFORMATION: CERTIFIED ENTITY

Company Name & Registration No:	Saratok Palm Oil Mill Sdn. Bhd. (251441-M)		
Main Address:	Wisma SALCRA, NO 1, Lot 2220, Block 26, MTLD Jalan Datuk Mohd Musa, 94300, Kota Samarahan, Sarawak, Malaysia		
Site Name:	Saratok Palm Oil Mill		
Primary Function:	<input type="checkbox"/> Plantation/Organized Smallholders	<input checked="" type="checkbox"/> Mill	
Site Address:	Lot 164, Block 15, Awik-Kerian Land District 95400 Saratok		
Management Contact Details			
1.	Name: Nur' Aizad Hakeim	Job Title: Mill Manager	
	Mobile: 019 865 6522	Tel: 013 452 5890	Email: nuraizad@salcra.gov.my
2.	Name: Risni bin Duad	Job Title: Mill Engineer	
	Mobile: 013 843 5343	Tel: 013 452 5890	Email: risnid@salcra.gov.my
Headcount:	Local: 170	General Workers:	Total: 170

MS 2530-4:2013 General Principles for Palm Oil Mills

MPOB License No: 5001 3510 4000	Expiry Date: 31 10 2021		
Scope of Activity: Purchasing of FFB, Processing of FFB into CPO and PK, Storing of CPO and PK and Selling of CPO and PK			
Production Capacity:	60MT/Hour		
OER Extraction Ratio: 20.27%	KER Extraction Ratio: 4.65%		
PK Production Volume(actual) 2020: 9,672 MT	PK Production (estimate) 2021: 12,700 MT		
PK Pricing (actual) 2020: RM1639.00MT	PK Pricing (forecast) 2021: RM2536.00MT		
CPO Production Volume(actual) 2020:42,195 MT	CPO Production (estimate) 2021: 53,340 MT		
CPO Pricing (actual) 2020: RM2767.00 MT	CPO Pricing (forecast) 2021: RM3,861.00 MT		
FFB Volume (actual) 2020: 208,583 MT	FFB Volume (estimate) 2021: 254,000 MT		
Main Sources of FFB:	37% SALCRA Estate, 63% other plantation, dealer and smallholder		
Land Status: Ownership:	<input checked="" type="checkbox"/> Rented	<input type="checkbox"/> Own Land	<input type="checkbox"/> Joint Venture
Other Sustainability Certification:	Geo-Coordinates: N01°44'10.32" E 111°21'10.22"		
SCCS - MSPO Supply Chain Certification Standard			
Validity/Date of Certification:	30 04 2018 – 29 04 2023		



3.0. ASSESSMENT METHODOLOGY

This certification assessment is a SAMPLING process where management systems effectiveness & efficiency are confirmed via an audit trail that the Auditor established to make an accurate conclusion

Information gathering Data collection	<ul style="list-style-type: none"> ICT tools and audit medias in use during this Audit include zoom meetings, google drive for uploading documents, emails, whatsapp chat group for Auditors & Auditees [clients] personnel, postings of realtime photographs evidence and other relevant virtual communication tools etc.
Assessment method	<p>Paper</p> <ul style="list-style-type: none"> Assessing past implementations from records, reports of the management system <p>Practice</p> <ul style="list-style-type: none"> Assessing current implementation from evidence collection on current practices <p>People</p> <ul style="list-style-type: none"> Assessing future maintenance from interviewing online the auditee personnel on understanding & assessing competencies.

Surveillance Audit		Audit Findings Classification	
Term	Meaning	Description	
YES	Compliance	<ul style="list-style-type: none"> Fulfilled requirement of audited standard 	
OFI	Opportunity for improvements	<ul style="list-style-type: none"> Demonstrate conformity. There are, however, improvement opportunity identified that will benefit the organization 	
NO (minor NC)	Minor non conformity	<ul style="list-style-type: none"> Non-compliance to standard requirements or company's SOP; or are issues that when combined, jeopardized the functioning of the system 	
NO (major NC)	Major non conformity	<ul style="list-style-type: none"> Demonstrate absence or total breakdown of system to meet standard requirement, or a number of minor NC against a clause of standard requirements / at a particular area. Of last assessment that are not effectively addressed will be classified as major NC. 	

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4.0. ASSESSMENT PROCESS

The assessment process was preceded by/with **Risk Assessment of the certified entity** to determine that SAPOM qualify to be audited vide **Remote Audit**.

BQAS had assessed that surveillance audit 03 of SAPOM is classified as **low risk**.

4.1. AUDIT TEAM

Assessment Year	Name	Role
Surveillance Year 03	Wilfred Landong	Lead Auditor
	Patrick Sibat Sujang	Auditor

4.2. AUDIT PLAN

4.2.1. AUDIT OBJECTIVES

Surveillance Audit Year 03

- Changes to the certified client and its management system
- Verification continuous management system implementation
- Review of effectiveness of measures arising from the previous audit (if applicable)
- Confirmation of fulfillment of certification requirements
- Enquiries on aspects of certification (Complaints)
- Review of any client's statements with respect to its certified operations (promotional material, website, use of BQAS logos and marks, use of the certificate)
- Customer specific requirements

4.2.2. ASSESSMENT SITES / PROGRAMS / PARAMETERS

MS2530-4:2013	General Principles for Palm Oil Mills
---------------	---------------------------------------

4.2.2.1. Assessment Sites

Assessments were performed on:

- Mill Office – documentations & records
- Mill – processes, stores, waste & water management, workshop and related facilities
- Staff facilities – housing, amenities etc.

**4.2.2.2. Assessment Program**

Date: 26 - 27 05 21

No of Auditors: 2

No of Mandays: 4

Day 1	<ul style="list-style-type: none"> • Opening Meeting • Review Certification Audit Report Year 02 • Documentation Audit / Record Review
Day 2	<ul style="list-style-type: none"> • Mill – facilities review (chemical, schedule waste stores, workshop, effluence ponds, grading etc.) • Review of milling processes • Assessment/review of staff/workers housing & living conditions, facilities & amenities, interview foreign workers, domestic waste treatment etc. • Closing meeting • Presentation of Audit Checklist / Report

4.2.2.3. Assessment Parameters

- Evaluate implementation, including effectiveness of the management system
- Information & evidence about conformity to all requirements
- Performance monitoring, measuring, reporting
- Reviewing against key performance objectives & targets
- Performance as regards legal compliance
- Operational control of the client's process
- Internal auditing & Management review
- Management responsibilities for policies
- Links between the normative requirements, policy
- Competence of personnel
- Customer specific requirements
- Traceability of FFB
- Use of PPE / Safety & Health training program
- Revisit other points/areas of buffer zone, Riparian reserves, boundaries
- Implementation of Policies & procedures at all stores (fertilizer, chemical, schedule waste store)
- Improvements to workers' quarters – health & safety
- Infrastructure / roads & drainage / natural water management
- Continuous improvement plan & implementation
- Implementation of Best practices
- Implementation of environmental management plan

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5.0. SUMMARY OF ASSESSMENT RESULTS

5.1. KEY FINDINGS

Principles	P1	P2	P3	P4	P5	P6	Total
No of NC: Major	0	0	0	0	0	0	0
No of NC: Minor	0	0	0	0	0	0	0
No of OFI: Opportunity for Improvement	0	0	0	0	2	0	2
Total	0	0	0	0	2	0	2

Finding No 1.

Principle: 5		Criterion: 4. 5.3.2	
4.5.3.2	A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution; b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.	<input type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	SAPOM Waste Management Plan is not fully documented. A fully documented plan is required

Finding No 2.

Principle: 5		Criterion: 4.5.5.1	
4.5.5.1.	The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:	<input type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Note: SAPOM Water Management Plan is not fully documented. A fully documented WMP is required

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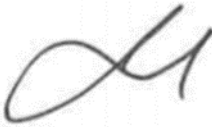
REMOTE AUDIT

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5.2. AUDIT CONCLUSION: Summary Statement of Lead Auditor

		Signature
	<p>The purpose of this Surveillance Audit 03 [remote audit] is to evaluate the continuous implementation, including effectiveness, of Salcra – Saratok Plam Oil Mill Sdn Bhd management systems and that the requirement of the Standards MS2530-4:2013 is fulfilled. Only 2 Findings were observed in this Audit; classified as OFI [opportunity for improvement]. SAPOM had continually demonstrated effectiveness of the management system and fulfilled the requirement of the Standards MS2530-4:2013. It is therefore recommended that Salcra – Saratok Palm Oil Mill certification continue to be maintained.</p>	 Wilfred S Landong Date: 27 05 2021

5.3. ACKNOWLEDGEMENT BY CERTIFIED ENTITY

<p>This is to acknowledge and confirm the Audit Assessments described in this Report and the Acceptance of the Contents and Findings in the said Audit Report.</p>	 En Mohd Nur'Aizad Hakeim Mill Manager Date: 28 05 2021
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5.4. CORRECTIVE ACTION REPORTS & CLOSURE

Corrective Action Reports were raised on 27 05 2021

The Corrective Action Reports were closed out by Lead Auditor on 25 07 2021

6.0. OFFICIAL SIGN-OFF

6.1. ASSESSMENT RECOMMENDATION BY LEAD AUDITOR

		Signature
	<p>Based on the Findings/Action taken by Auditee/Closures above, SAPOM – Saratok Plam Oil Mill Sdn Bhd had been able to demonstrate and improved on its continual compliance to and with requirements of the MSPO MS2530-4:2013 Standard for General Principles for Palm Oil Mills.</p> <p>Therefore, it is the recommendation of the Audit team that the Certification of SAPOM under MSPO MS2530-4:2013 Standard continue to be maintained.</p>	 Wilfred S Landong Date: 25 07 2021

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6.2. ASSESSMENT REVIEW – TECHNICAL REVIEWER

I/the undersigned, being the Technical Reviewer, confirm that I have examined thoroughly all contents of this Report in its' entirety.

I confirm that, to the best of my knowledge the information and conclusions included in this report have been prepared in compliance with the Standards requirements; and done in good faith and that the Lead Auditor recommendations had been based upon this information.

I, hereby confirm that, the Certification of Saratok Plam Oil Mill Sdn Bhd under the Standard MSPO2530-4:2013 under General Principles for Palm Oil Mill be maintained.

Maxwell S Landong

10 08 2021

7.0. CONCLUSION

7.1. CERTIFICATION: BQAS MANAGEMENT

In reference to MS 2530-4:2013, BQAS Management hereby approved of:

- Issuance of the certificate.
- Issuance of the certificate as soon as implementation of corrective action(s) has been demonstrated.
- Maintenance of the certificate.**
- Maintenance of the certificate as soon as implementation of corrective action has been demonstrated.

7.2 NEXT SURVEILLANCE ASSESSMENT PLAN

SVA 04 – tentatively to be in April / May, 2022.

8.0. APPENDICES / ATTACHMENTS

Nil

FOOTNOTES

All audit findings are based on a sampling process, targeted towards reliable evidence for effective implementation and compliance of the management system. Where applicable findings and required corrective action were or will be agreed upon with the responsible managers or management representatives, steps have been or will be defined to resolve such non-conformity. Further business aspects may exist, positive or negative, which have not been reviewed by the audit team. It is the organization's responsibility to investigate and evaluate the potential impact and scope of findings, thus continuously ensuring full compliance to the applied standard(s).