



MSPO SURVEILLANCE PUBLIC SUMMARY REPORT [YEAR 02] 2021



BBC Palm Oil Mill Sdn Bhd

Lot 16433, Junction 5 Commercial Centre, Mile 5, Jalan Tun Hussein Onn,
97000 Bintulu, Sarawak.



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 02: 2021



BBC Palm Oil Mill Sdn Bhd

(906961-T)

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

Ref No: BQ/BBCPOM/SVA02/06/21

Standard: MS 2530-4:2013

Remote Audit

Report Date: 02 09 2021

CERTIFIED ENTITY

MSPO Standards

MS2530-4:2013

General Principles for Palm Oil Mills

Type of Certification:

Individual

Group

Project Ref No:

BQ/BBCPOM/SVA02/06/21

MSPO Certificate No:

BQAS 001 – 6

MSPO Certificate Validity:

01 01 2019 to 31 12 2023

Main Office Address:

Lot 16433, Junction 5 Commercial Centre, Mile 5, Jalan Tun Hussein Onn, 97000 Bintulu, Sarawak.

Site Address:

Lot 20, Block 44, Sungai Segan, Kemena Land District, 97000 Bintulu, Sarawak.

Contact Person / Job Title:

Raymond Lau

Mill Manager

Telephone / Mobile:

016-886 2796

019-865 4469

Email / Website:

raymond.lau@bbcgroup.com.my

Contact Person / Job Title:

En Mohamad Firdaus Bin Ibrahim

Internal Auditor

Telephone / Mobile:

086 351 881

012-881 4524

Email / Website

mohamad.firdaus@bbcgroup.com.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:

Dominic Retan Giah

Certifier:

Patrick Sibat Sujan

Disclaimer:

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EXECUTIVE SUMMARY

BBC Palm Oil Mill Sdn Bhd [BBCPOM] is owned by BBC Group, a conglomerate organization headquartered in Bintulu Sarawak. Along with BBC group of palm oil plantations, BBC Palm Oil Mill Sdn Bhd was certified under **MSPO2530-4:2013 on 1st January, 2019.**

BBCPOM, sited on land owned by BBC Group is located at Geo-coordinates N3°03'52.1" E113°04'10.4" in the Bintulu Division of Sarawak; with estimated distance of approximately 40 kilometers form Bintulu Town.

This is a **Surveillance [Remote] Audit [Year 2]** to assess performance & maintenance of the management system & continued Certification of **BBCPOM** under the Standard **MSPO2530-4:2013** General Principles for Palm Oil Mill.

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.

This Audit which was scheduled earlier to be conducted onsite in Dec, 2020 was forcibly delayed a few times due to compliance requirements of COVID 19 MCO [movement control order] enforced by government authorities of Sarawak & Malaysia. Upon various communications between CB and **BBCPOM management**, the planned Onsite Audit was changed to Remote Audit to ensure regulatory compliances to national COVID 19 Pandemic MCO [movement control order] and regulations enforced by the SDMC [Sarawak Disaster Management Committee].

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 **BBCPOM** is categorized 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 following are pertinent information on **BBCPOM**:

No of Employees	94 employees [staff & workers]
MPOB License No / Expiry date	• No: 5002 2920 4000/ Expiry: 31 03 2022
Production Capacity	• 60 (MT) of fresh fruit bunch (FFB) per hour
FFB supply base	• BBC Plantations @ 72% / other dealers, plantations & smallholders @ 28%



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Actual volume of FFB processed for 2020	• 308,799.72 MT
Projected volume of FFB processed for 2021	• 300,000.00 MT
Extraction Ratio for 2020	• Oil extraction ratio @ 19.85%
	• Kernel extraction ratio @ 4.20%
Actual production volume for 2020	• Crude Palm Oil @ 613,13.41 MT
	• Palm Kernel @ 12967.40 MT
Projected production volume for 2021	• Crude Palm Oil @ 61,500.00 MT
	• Palm Kernel @ 13,500.00 MT
Projected pricing for 2021	• CPO @ RM2,900.00/MT
	• PK @ RM2,000.00/MT

The Remote Surveillance Audit was conducted on **08 – 10 06 2021; 1 Auditor; 3 mandays**. The purpose of this Audit is to evaluate the implementation, including effectiveness, and continuous compliance to MSPO requirements of **BBCPOM** management systems.

Assessments were done on Mill Site Office and Mill proper to assess documentation, mill facilities and mill operations. Information & data were systematically gathered & documented from online interviews, real time photos as evidence & review of documentations and records.

There were only **2 findings** classified as **OFI [opportunity for improvements]** on **Criterion 4.4.4.2 E & G: Employees safety and health**. Corrective action report was raised on **11 06 2021** and closed out on **30 07 2021**.

During SVA02, the Auditors also determined that actions to be taken on findings in SVA01 had been implemented satisfactorily and in compliance with requirements of the Standards.

The Lead Auditor had assessed that **BBCPOM** has continuously complied & conformed to MSPO Certification standards, conditions & requirements.

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



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1.0. INFORMATION: CERTIFICATION ASSESSMENT

1.1.	Type of Certification Assessment	<input type="checkbox"/>	Initial Certification / Main Audit
		<input checked="" type="checkbox"/>	Annual Surveillance Audit [Year 2]
		<input type="checkbox"/>	Re-certification Audit
1.2.	Scope of MSPO Certification		
		<input checked="" type="checkbox"/>	Sustainable Management of Palm Oil Mill with 60MT/Hour
1.3.	MSPO Standards		
		<input checked="" type="checkbox"/>	PART 4: MS2530-4:2013

2.0. INFORMATION: CERTIFIED ENTITY

Company Name & Reg No:	BBC Palm Oil Mill Sdn Bhd (906961-T)		
Main Address:	Lot 16433, Junction 5 Commercial Centre, Mile 5, Jalan Tun Hussein Onn, 97000 Bintulu, Sarawak.		
Site Name:	BBC Palm Oil Mill Sdn Bhd		
Primary Function:	X Palm Oil Mill		
Site Address:	Lot 20, Block 44, Sungai Segan, Kemena Land District, 97000 Bintulu, Sarawak.		
Management Contact Details			
1.	Name: Raymond Lau	Job Title: Mill Manager	
	Mobile: 019-8654469	Tel: 016-8862796	Email: raymond.lau@bbcgroup.com.my
2.	Name: Mohamad Firdaus Bin Ibrahim	Job Title: Internal Auditor	
	Mobile: 012-8814524	Tel: 086-351881	Email: mohamad.firdaus@bbcgroup.com.my
Headcount:	Local: 60	Foreign Workers: 34	Total: 94
MS 2530-4:2013 General Principles for Palm Oil Mills			
MPOB License No: 5002 2920 4000	Expiry Date: 31 03 2022		
Scope of Activity:			
1. Sell and move Fresh Fruit Bunches (FFB), Palm Kernel (PK), Crude Palm Oil (CPO) & Sludge Palm Oil (SPO).			
2. Purchase and move Fresh Fruit Bunches (FFB)			
3. Store Palm Kernel (PK), Crude Palm Oil (CPO) & Sludge Palm Oil (SPO).			
4. Mill Fresh Fruit Bunches (FFB).			
Production Capacity:	60MT/hour		



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OER Extraction Ratio: 2020 (19.85%) 2021 (20.20%)	KER Extraction Ratio: 2020 (4.20%) 2021 (4.33%)
PK Production Volume(actual) 2020: 12967.40 MT	PK Production (estimate) 2021: 13,500.00 MT
PK Pricing (actual) 2020: RM1,456.55/MT	PK Pricing (forecast) 2021: RM2,000.00/MT
CPO Production Volume(actual) 2020: 61313.41 MT	CPO Production (estimate) 2021: 61,500.00 MT
CPO Pricing (actual) 2020: RM2,703.64/MT	CPO Pricing (forecast) 2021: RM2,900.00/MT
FFB Volume(actual) 2020: 308799.72 MT	FFB Volume (estimate) 2021: 300,000.00 MT
Main Sources of FFB:	BBC Plantations @ 72%; other dealers, plantations & smallholders @ 28%
Land Status: Ownership:	<input checked="" type="checkbox"/> Rented
Other Sustainability Certification: SCCS	Geo-Coordinates: 3°03'52.1"N 113°04'10.4"E
Validity/Date of Certification:	01 01 2019 to 31 12 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



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OFI	Opportunity for improvements	• Demonstrate conformity. There are, however, improvement opportunity identified that will benefit the organization
NO (minor NC)	Minor non conformity	• 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	• 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.

4.0. ASSESSMENT PROCESS

The assessment process was preceded by/with **Risk Assessment of the certified entity** to determine that the Audited Entity qualify to be audited vide **Remote Audit**. BQAS had assessed that surveillance audit 02 of **BBCPOM** is classified as **low risk**.

4.1. AUDIT TEAM

Assessment Year	Name	Role
Surveillance Year 02	Dominic Retan Giah	Lead Auditor

4.2. AUDIT PLAN

4.2.1. AUDIT OBJECTIVES

Surveillance Audit Year 02

- Changes to the certified client and its management system
- Verification of 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



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4.2.2. ASSESSMENT SITES / PROGRAMS / PARAMETERS

4.2.2.1. Assessment Sites

Remote Assessments were performed on:

- Documentations & records
- Mill – sites / activities
- Mill – processes, stores, waste & water management, workshop and related facilities
- Staff facilities – housing, amenities etc.

4.2.2.2. Assessment Program

Date: 08 – 10 06 21

No of Auditors: 1

No of Man-days: 3

- | | |
|-------|--|
| 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, etc.) • FFB processing activities • Assessment/review of staff/workers housing & living conditions, facilities & amenities, domestic waste treatment etc. |
| Day 3 | <ul style="list-style-type: none"> • Documentation Audit continued • 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
- Use of PPE / Safety & Health training program
- Implementation of Policies & procedures at all stores (fertilizer, chemical, schedule waste store)
- Improvements to workers' quarters – health & safety
- Infrastructure / roads & drainage / natural water management



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- Continuous improvement plan & implementation

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	2	0	0	2
Total	0	0	0	2	0	0	2

Finding No 1

Criterion 4.4.4: Employees safety and health

Indicator	Requirement	Compliance	Findings
4.4.4.2	The occupational safety and health plan shall cover the following:		
E.	The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.	<input type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	Sighted: BBCPOM SOP for Chemical Transferring (Hexane and Isopropyl Alcohol). OFI: This SOP for Chemical Transfer maybe better improved with a reference no. to indicate its relation to other SOP for activities in the mill operation.

Finding No 2

Criterion 4.4.4: Employees safety and health

Indicator	Requirement	Compliance	Findings
4.4.4.2	The occupational safety and health plan shall cover the following:		
G.	The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health	<input type="checkbox"/> Compliance <input checked="" type="checkbox"/> OFI <input type="checkbox"/> NC - Minor <input type="checkbox"/> NC - Major	BBCPOM held its 4 th quarter OSH Committee meeting on 16/12/2020, chaired by the Mill Manager and attended by 14 personnel.



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	<p>and welfare are discussed openly. Records from such meetings shall be kept and the concerns of the employees and any remedial actions taken shall be recorded.</p>		<p>Q1/2021 meeting has not been scheduled yet due to the state of the current pandemic.</p> <p>Based on the minutes of meeting, the committee deliberated on the following safety & health issues:</p> <ul style="list-style-type: none"> • Training on SOP for Stores & on Traceability via MPOCC Webinar • Plan to conduct NANOPOD training in Q1/2021 • Results of work site inspection – no unsafe conditions & unsafe acts detected • Review of accidents, near misses and exposure to chemical – none for Q4/2020 • Welfare issues – no reports for Q4/2020 <p>OFl: The minutes of meeting can be further improved by including:</p> <ul style="list-style-type: none"> • a review of the accidents/near misses record for the year in addition to the one for the quarter. • an indication of the next meeting
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5.2. AUDIT CONCLUSION

	Summary Statement of Lead Auditor	Signature
	<p>The purpose of this Surveillance Audit is to evaluate the implementation, including effectiveness, of BBC Palm Oil Mill management systems and that the requirement of the Standards MS2530-4:2013 is fulfilled.</p> <p>There are 2 findings [OFl – opportunity for improvements]</p> <p>Overall, the Management System of BBC Palm Oil Mill of has fully conformed and complied with the requirements of the Standard MS2530-4:2013 and it is recommended by the Lead Auditor that the Certification of BBC Palm Oil Mill be continuously maintained.</p>	 Dominic Retan Giah Date: June 10, 2021



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5.3. ACKNOWLEDGEMENT BY CERTIFIED ENTITY


	Acknowledgement by Auditee	Job Title:	Signature
	This is to acknowledge and confirm the Remote Audit Assessments described in this Report and the Acceptance of the Contents and Findings in the said Audit Report.		 Raymond Lau Mill Manager Date: 11 06 2021

5.4. CORRECTIVE ACTION REPORTS & CLOSURE

Corrective Action Reports were raised on 11 06 2021

The Corrective Action Reports were closed out by Lead Auditor on 30 07 2021

6.0. OFFICIAL SIGN OFF

6.1.	Assessment Recommendation by Lead Auditor	
		Signature
	Based on the Findings/Action taken by Auditee/Closures above, BBC Palm 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: General Principles for Palm Oil Mills Therefore, it is recommendation of the Lead Auditor that the Certification of BBCPOM under MSPO MS2530-4:2013 Standard be maintained.	 Dominic Retan Giah Date: 30 07 2021



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6.2. ASSESSMENT REVIEW BY TECHNICAL REVIEWER

STATEMENT & CONFIRMATION

I/the undersigned, being the Technical Reviewer, confirm that I have examined thoroughly all contents of the 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, **BBC Palm Oil Mill** Certification under the Standard **MS2530-4:2013 be maintained.**

Signed:

Patrick Sibat Sujang
01 09 2021

7.0. CONCLUSION

7.1. CERTIFICATION: BQAS MANAGEMENT

In reference to MS 2530-3:2013, the 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. PLAN FOR NEXT SURVEILLANCE AUDIT

BBCPOM SVA 03 – tentatively to be in March, 2022.

8.0. 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)