

 **Challenges in Auditing
Against RSPO Standard**

By :

Yap Son Kheong & Radziah Mohd Daud
Roundtable on Sustainable Palm Oil RT 10
30th October – 1st November, 2012



 **SIRIM QAS International Sdn. Bhd.** >>>>>>>>>>

A wholly owned subsidiary company of SIRIM Berhad

Background :

- ❖ Incorporated under the Malaysian Companies Act 1965 on 18 November 1996.
- ❖ Started operation on 1st. March 1997, taking over all certification activities previously provided by SIRIM since the early 1970s

SIRIM QAS INTERNATIONAL

Management System Certification Services

<p>Quality</p> <ul style="list-style-type: none"> • ISO 9001:2008 • ISO/TS 16949:2009 (Automotive) • ISO 13485:2003 (Medical Device) • MS 1900:2005 (Islamic Perspective) <p>Environmental</p> <ul style="list-style-type: none"> • ISO 14001:2004 <p>Health & Safety</p> <ul style="list-style-type: none"> • OHSAS 18001:2007 • MS 1722 Part 1:2005 <p>Food Safety</p> <ul style="list-style-type: none"> • ISO 22000:2005 • MS 1480 HACCP • MS 1514 GMP 	<p>Information Security</p> <ul style="list-style-type: none"> • ISO/IEC 27001:2005 <p>IT Service</p> <ul style="list-style-type: none"> • ISO/IEC 20000:2005 <p>Social Accountability</p> <ul style="list-style-type: none"> • SA 8000 <p>Roundtable on Sustainable Palm Oil (P & C and SC)</p> <p>Forest Management System and Chain of Custody</p> <p>Clean Development Mechanism</p> <p>Malaysian Brand</p>
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SIRIM QAS INTERNATIONAL

Client Base –among others...

The client base includes a wide range of major Malaysian and international corporations such as:

- Energy & Utilities:** PETRONAS, Shell, Tenaga Nasional Berhad, TM, MISC, SUNWAY, UMW, PERODUA, KURNIA, MNRB.
- Financial Services:** Maybank, Public Bank, CIMB BANK, RHB BANK, Maxis, KJCF, POS, UEM, KONTENA NASIONAL.
- Manufacturing & Industry:** Panasonic, GAMUDA, IJM, DRB-HICOM, LAFARGE CEMENT, Samling, Guocera, SCHOTT, SIEMENS, SUZUKI, MANDARIN ORIENTAL KUALALUMPUR, TEXCHEM GROUP.
- Government & Infrastructure:** PPB GROUP BERHAD, IOI GROUP, BURSA MALAYSIA, MALAYSIA AIRPORTS, HITACHI, TOSHIBA, SAMSUNG, S.E.H. Malaysia Group.
- Other Notable Clients:** NYP, MALAYA GLASS PRODUCTS SDN BHD, DIALOG, Roca, 3M, and various other SMEs and multinationals.



Accreditations by STANDARDS MALAYSIA

STANDARDS MALAYSIA
ACCREDITED CERTIFICATION BODY

MS ISO/IEC 17021 : 2006 QS 02121999 CB 01
 MS ISO/IEC 17021 : 2006 EMS 17122002 CB 02
 MS ISO/IEC GUIDE 65 : 2000 PC 05102004 CB 01
 MS ISO/IEC 17021 : 2006 OSH 06122005 CB 01
 MS ISO/IEC 17021 : 2006 HACCP 05052008 CB 03
 ISO/TS 22003 : 2007 FSMS 23122008 CB 01
 MS ISO/IEC 17021 : 2006 FMC 10122009 CB 02
 MS ISO/IEC 27006 : 2007 ISMS 17022011 CB 01

- Management System Certification (MS ISO 9001, MS ISO 14001, OHSAS 18001, MS 1722: Part 1, HACCP, Food Safety Management System, Forest Management Certification),
- Product Certification
- Chain-of-Custody for wood-based products
- Type Approval



Accreditations by STANDARDS MALAYSIA



MS ISO/IEC 17025
CALIBRATION / TESTING
SAMM NO. 086 SAMM NO. 086
SAMM NO. 087 SAMM NO. 219
SAMM NO. 233 SAMM NO. 240
SAMM NO. 299 SAMM NO. 354
SAMM NO. 377 SAMM NO. 490



MS ISO/IEC 17020
MIBAS NO. 003



MS ISO/IEC 17020
MIBAS NO. 003

For the following laboratories:

- Chemical & Consumer
- Civil & Construction
- Electrical & Electronic
- Fire Protection
- Mechanical
- Radio Frequency & Electromagnetic Compatibility (EMC)
- WiMAX
- Calibration

Engineering Inspection



Accreditations By UNITED KINGDOM ACCREDITATION SERVICE (UKAS)



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- ISO 9001 Quality Management System Certification Scheme
- ISO 13485 Quality Management System for Medical Devices Certification Scheme
- ISO 14001 Environmental Management System Certification Scheme
- ISO/IEC 27001 Information Security Management System Certification Scheme

 **Other Accreditations and Recognitions**

International

- Approval by the **International Automotive Task Force (IATF)** in order for SIRIM QAS International to offer ISO/TS 16949 certification for the automotive sector.
- Accepted as **IQNet Partner**, an international certification network formed by 37 partner organizations with more than 200 subsidiaries. 
- Affiliated with the **Scientific Certification System (SCS)**, A Forest Stewardship Council (FSC) accredited body based in the USA.
- Approved by **APM Group** to provide certification to itSMF **ISO/IEC 20000 IT Service Management Certification** 

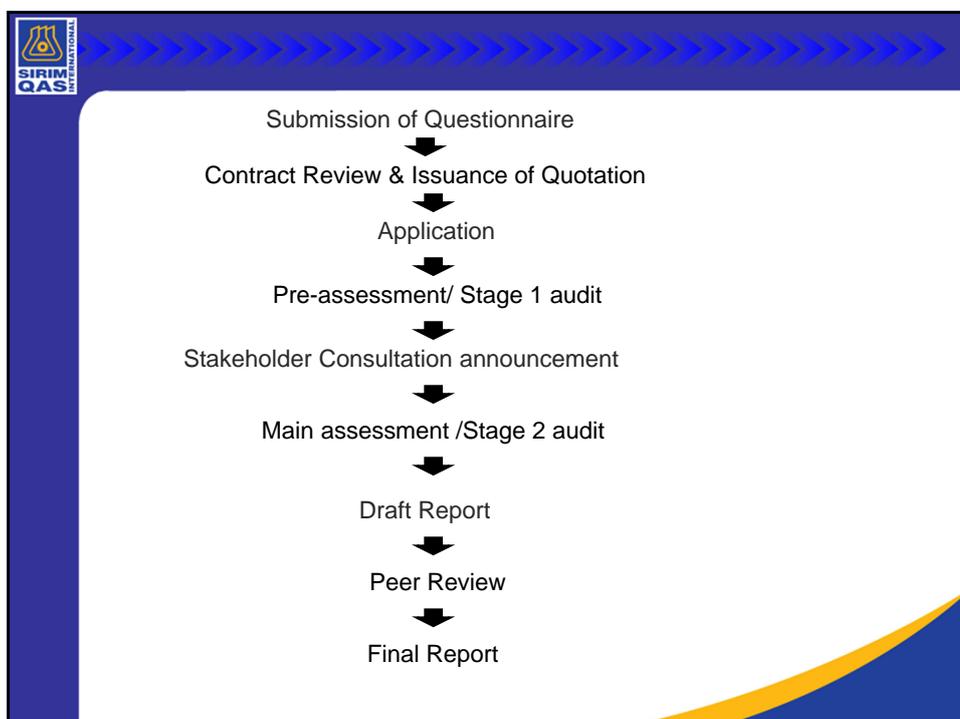
 **JOURNEY IN RSPO ...**

- ❖ Preparation began in 2006
- ❖ Obtain information on RSPO
- ❖ Training on RSPO Principles and Criteria
- ❖ Sourcing and qualifying auditors in specific areas eg HCV, OHS, Sociology, Legal requirements on land issues, EIA, SIA etc
- ❖ Application to RSPO made in late 2007
- ❖ Obtained approval as RSPO approved body in March 2008



SIRIM QAS INTERNATIONAL

**RSPO CERTIFICATION
PROCESS**





Involvement of SIRIM in RSPO

- Member of the Malaysia National Interpretation Working Group.
- Responsible for the development of National Interpretation of *RSPO Principles and Criteria For Sustainable Palm Oil Production* which was approved by the RSPO Executive Board on November 2010, the baseline NI indicators and guidance are as in the approved NI dated 26 April 2008.



The RSPO Principles and Criteria Malaysia National Interpretation (MY-NI) April 2008

 **CONTENT OF RSPO P & C STANDARD.....**

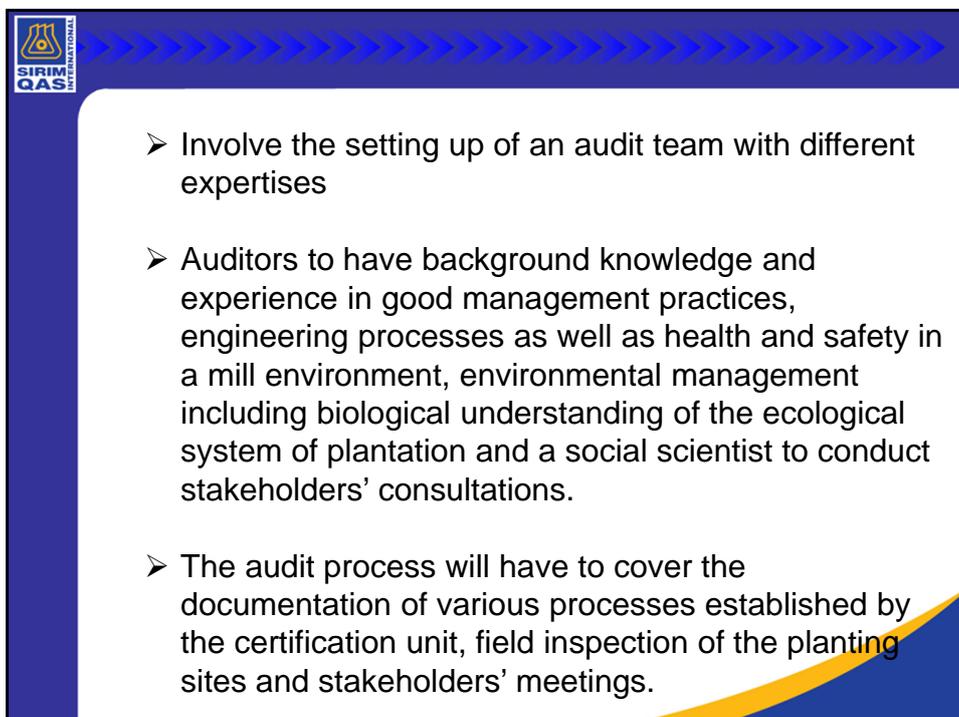
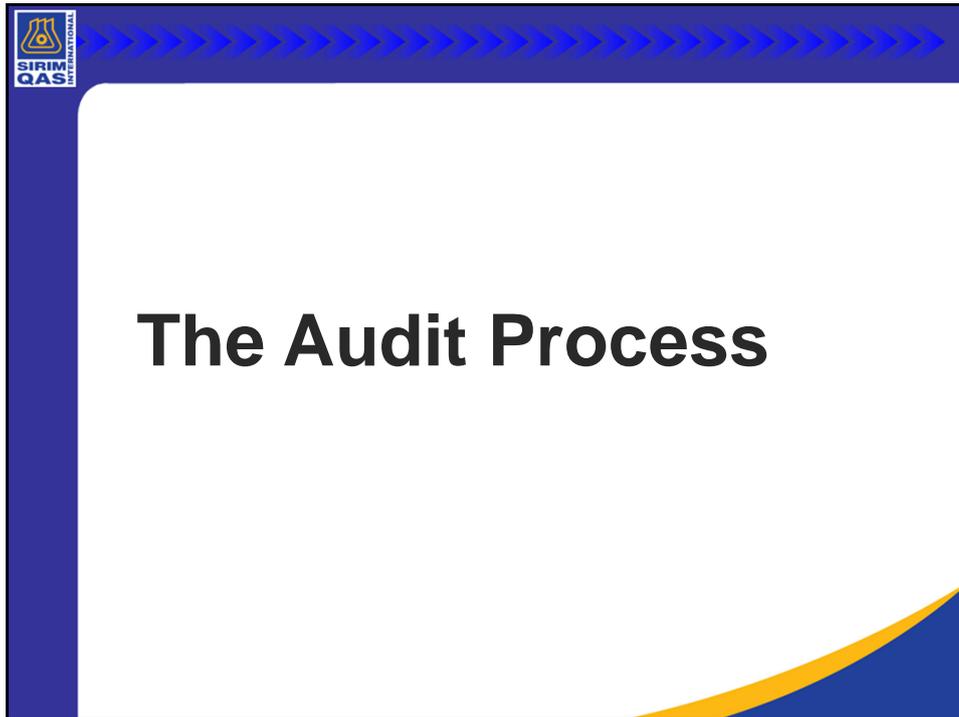
PRINCIPLES	CRITERIA	INDICATORS*
1. Commitment to transparency	2	8
2. Compliance with applicable laws & regulations	3	11
3. Commitment to long term economic and financial viability	1	2
4. Use of appropriate best practices by growers and millers	8	35
5. Environmental responsibility and conservation of natural resources and biodiversity	6	16
6. Responsible consideration of employees and of individuals and communities affected by growers and millers	11	27
7. Responsible development of new plantings	7	20
8. Commitment to continuous improvement in key areas of activity	1	6

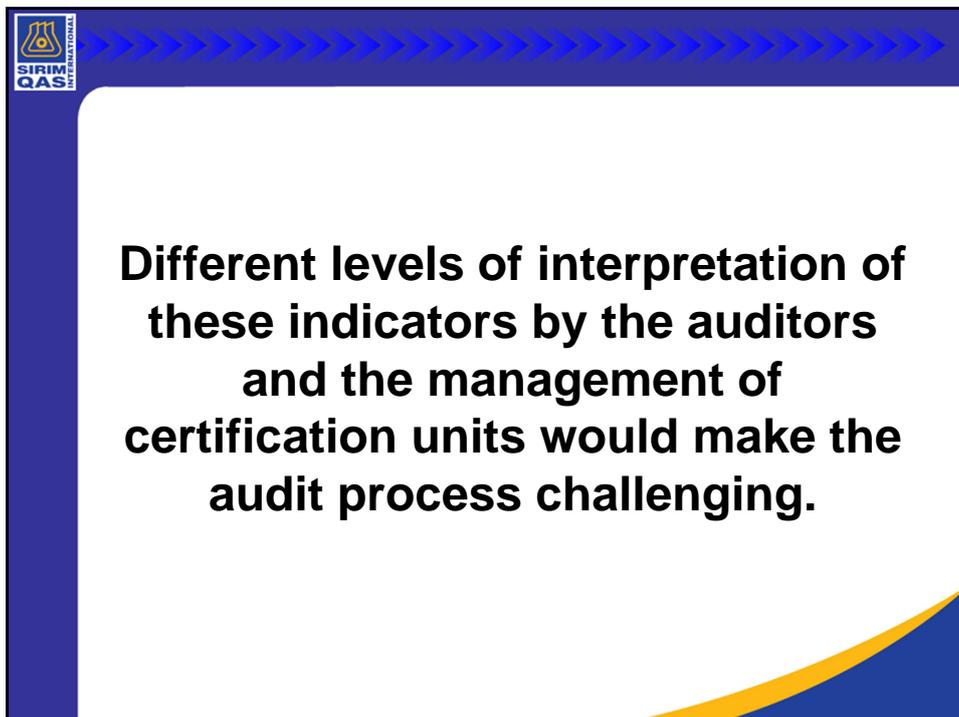
* Guidance is provided to ascertain compliance to indicators

 **Guidance notes.**

These notes provided invaluable assistance to auditors in forming a conclusion on compliance.

This is especially crucial in cases where any deviation would constitute a major non-compliance which leads to not being able to be certified unless rectifying actions are taken.







The possible causes:

- **Size of operation**
- **Management team capability**
- **Dependence on external consultants**



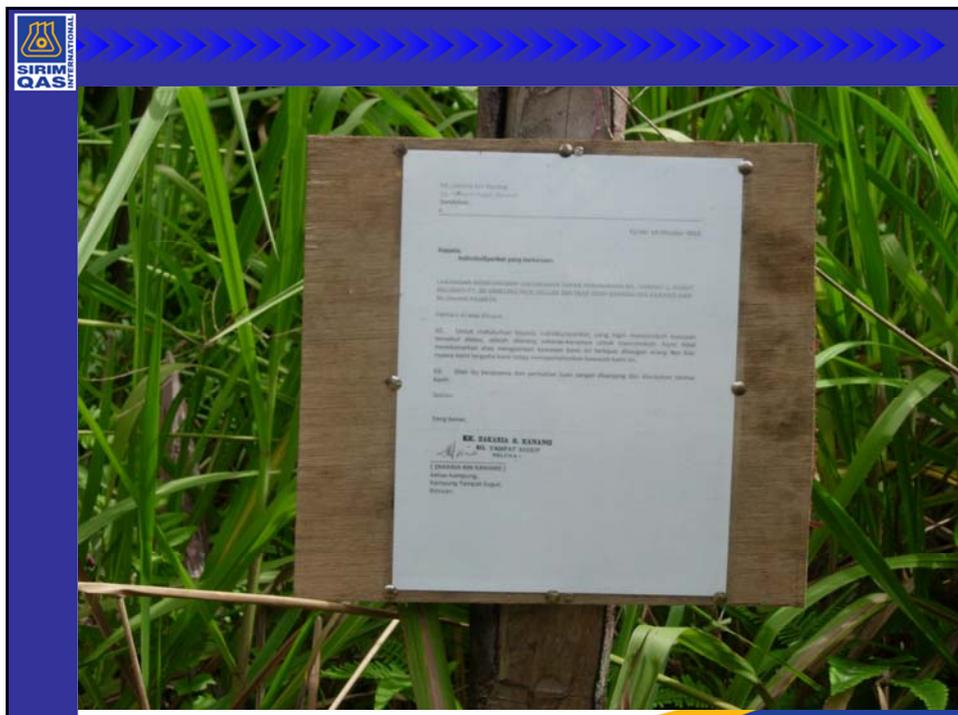
Criterion 2.3

Use of land for oil palm does not diminish the legal rights or customary rights of other users without their free, prior and informed consent

Indicator 2.3.1

Where lands are encumbered by customary rights, participatory mapping should be conducted to construct maps that show the extent of these rights

Compare with Indicator 2.2.1: Evidence of legal ownership of the land including history of land tenure
2.2.4 Conflict resolution





Guidance:

- Understanding of the customary rights
- When unclear settle through participatory exercises
- Sales and negotiated agreements to compensate
- Permitted to seek legal counsel
- Adequate time for customary decision-making
- Determination of customary rights or land claims
- Willingness to participate
- Claims only initiated during certification



Indicator 4.4.1

Protection of water courses and wetlands, including **maintaining** and **restoring** appropriate riparian buffer zones at or before replanting along all natural waterways within the estate





Specific guidance:

Reference to be made to relevant national regulations or guidelines from state authorities e.g. Department of Irrigation and Drainage (DID) whichever is more stringent



➤ **State DID**

➤ **EIA approval conditions**

➤ **Naturally flowing streams**

➤ **Width of waterways**



Indicator 5.2.1

Identification and assessment of HCV habitats and protected areas within landholdings, and attempt assessments of HCV habitats and protected areas surrounding landholdings.



 **Indicator 5.2.2**

Management plan for HCV habitats (including ERTs) and their conservation

SIRIM QAS **Specific Guidance**

Identify ERTs and establish their conservation status based on national and state conservation schedules; and should provide evidence of attempts to do likewise for immediate adjacent areas.

In the event that the conservation status of a species has not been assessed locally, the IUCN list should be used

Involvement of relevant stakeholders





In a biologically very diverse ecosystem in the country difficult in determining the strata to be assessed.

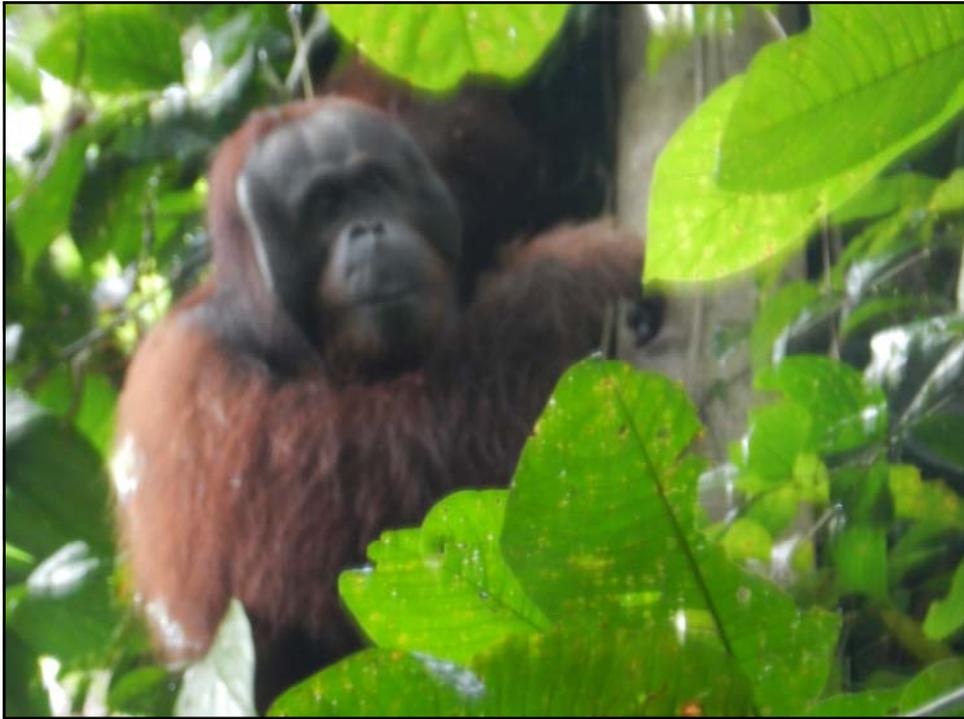
Determination of ERT is still at the research level.

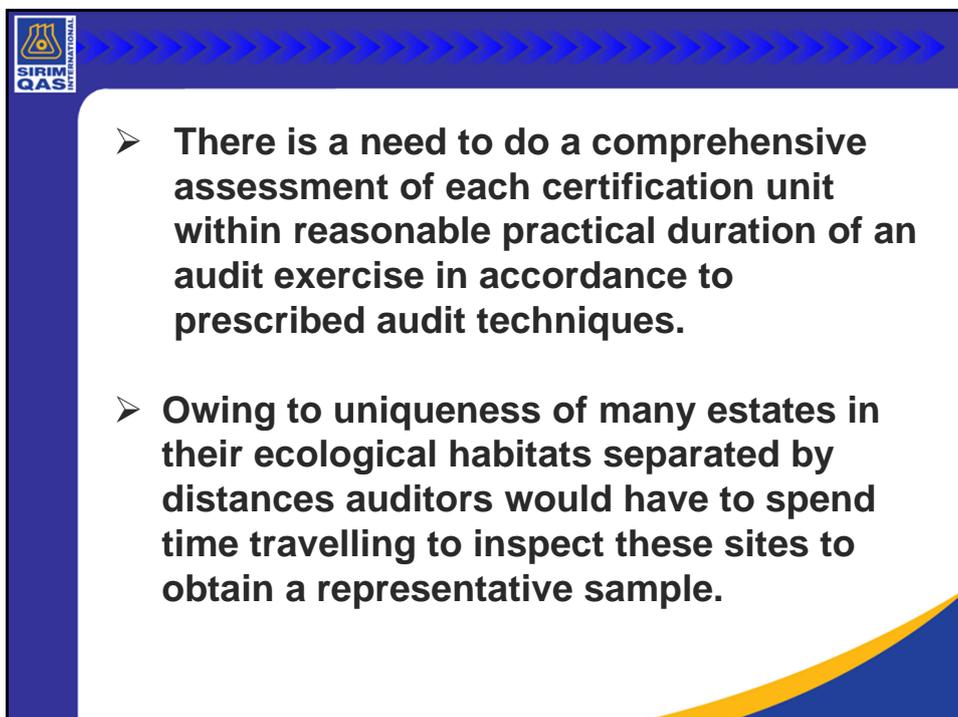
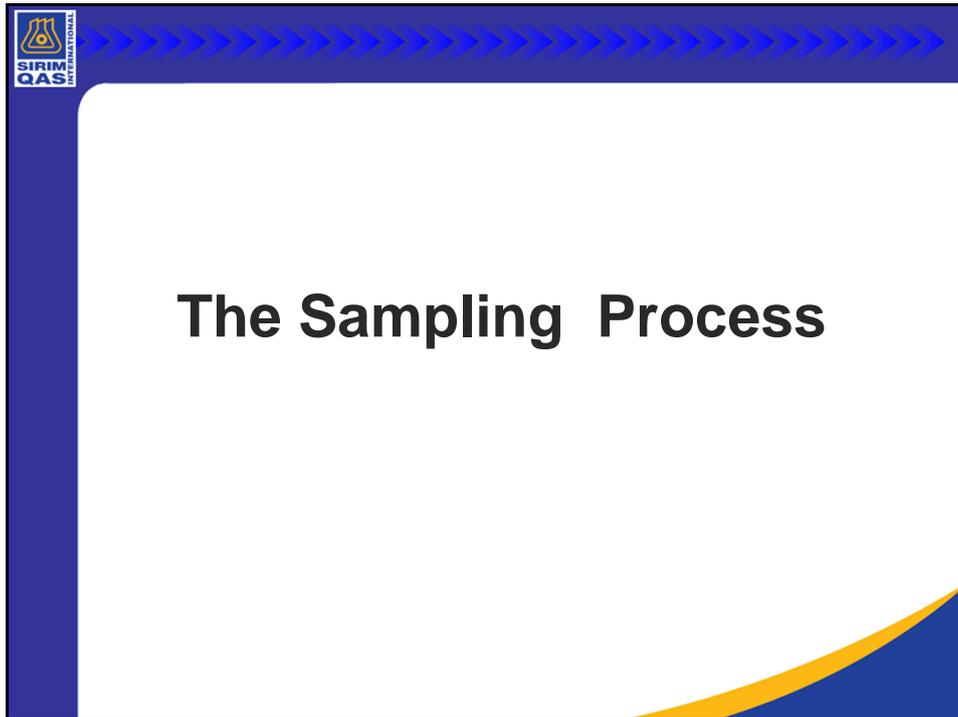


A great number of species of flora and fauna

Development of Malaysian Red Data Book

The need of expertise and ability of certification unit to tap on available resources







**Efficient use of
time allocated**



**The Auditors
experience and
expertise**



The step forward





➤ Training of new auditors to be qualified

➤ Better understanding with the Certification Unit management



THANK YOU