

**ECCO CERTIFIED SDN BHD**

3-2 Galeria Cyberjaya,
Jalan Teknokrat 6, Cyber 5,
63000 Cyberjaya, Selangor

PUBLIC SUMMARY REPORT

MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

Type of Certification	:	Stage 2 Initial Certification Audit ☒ Individual ☐ Group
Organization	:	Chin Lian Rubber Estate Sdn Bhd
Address	:	Lot 573 & 574, 654 Mukim Gemas, Lot 1664-1666 Mukim Pogoh, 85000 Segamat, Johor
Audit Date	:	7 October, 2020
Standard	:	☐ MSPO (MS2530-2:2013) Part 2: General Principles for Independent Smallholders ☒ MSPO (MS2530-3:2013) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders ☐ MSPO (MS2530-4:2013) Part 4: General Principles for Palm Oil Mills
Scope of Certification	:	Production of Sustainable Fresh Fruit Bunches (FFB)
Audit Team	:	
Lead Auditor	:	Edwell James Ghani
Auditor	:	Muhamad Nazran Nazarno
Report by Lead Auditor	:	
Name	:	Edwell James Ghani
Signature	:	

1.0 Introduction

1.1 Details of the Organization

Chin Lian Rubber Estate Sdn Bhd is an independent estate with company registration 13511-M, addressed at No 43, Suite 2.02, 2nd Floor Jalan Ros, 85000 Segamat, Johor. The estate is located within Mukim Gemas and Pogoh in Segamat, Johor.

MPOB Information on Lit Yang Realty Sdn Bhd MPOB License:

Location	Registered Area	License No.	Licensed Activity	Expiry Date
Segamat, Johor	144.4 Ha	501665002000	Menjual dan mengalih FFB	30/11/2020

1.2 Location and Area Statement

Site	Location		Land Title Area	Planted Area
	District	GPS Pointer		
Chin Lian Rubber Estate Sdn Bhd	Segamat, Johor	2.57573 N, 102.62052 E	126.87 Ha	126.67 Ha

Refer to **5.0 Appendices** of the map of all the estates' location on Google Map based on their GPS points.

1.3 Supply Base

All the estate's sites send their FFB to Guan Kiat Palm Oil Enterprise in Segamat, Johor.

1.4 Tonnage Certified (FFB)

Estate	FFB Production, Metric Tonne (mt)		
	Actual 2017	Actual 2018	Projected 2019
Chin Lian Rubber Estate Sdn Bhd	1053.13 mt	1372.57 mt	1373.00 mt

1.5 Other Sustainability (or ISO) Certification

Lit Yang Realty Sdn Bhd does not hold any other sustainability or ISO certification.

1.6 Organizational Information

The contact person for Chin Lian Rubber Estate Sdn Bhd is as follow:

Name : Mr. Lee Sang Chong
 Address : No 43, Suite 2.02,
 2nd Floor Jalan Ros,
 85000 Segamat, Johor
 Phone No. : 012-630 8682
 E-mail : myzeon@gmail.com

2.0 Audit Process

2.1 Audit Objectives

The objectives of the audit are to verify the management system conforms with all the requirements of the MSPO standards and that the organization has effectively implemented the planned MSPO management system as well as to check if the management system can achieve the organization's policy objectives.

2.2 Audit Methodology

The MSPO initial certification audit was done in two stages – Stage 1 and Stage 2. For Chin Lian Rubber Estate Sdn Bhd, Stage 1 audit was conducted on 5 June 2020 and Stage 2 on 7 October 2020 in Segamat, Johor. Stage 1 Audit was conducted mainly to review documents and to check area of concerns as to see how ready the mill is to go for Stage 2. During Stage 2 Audit, the audit team had visited 4 estates (See 1.1 Details of the Organization) to check facilities and structures available such as site office, workers' quarter and storage area. The team also did site inspections to see the operational site of the estate such as road maintenance, terracing on steep areas, cover crop maintenance, any natural stream or waterway, block maintenance (spraying, manuring and fronts stacking) as well as the estate boundary to verify the implementation of the MSPO (MS2530-3:2013) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders. Interviews were carried out with the team management, employees, contractors and other relevant stakeholders. Documents and records verification were also done to further support and validate findings from Stage 1 audit.

The methodology for collecting objective evidences are physical site inspection, observation of tasks and processes, interviews with management, employees and workers, consultations with contractors and stakeholders as well as documents review and data monitoring. The audit evidences obtained were based on samples of information available; thereby introduces the element of uncertainty.

2.3 Audit Team

Audit Member	Role/Area Covered	Education/Qualification/Works Experience
Edwell James Ghani	Lead Auditor Principle 4, 5 & 6 (Social, environmental aspects and best practices)	BEng (Hons) Chemical Engineering (HSE) from UTP, qualified as RSPO auditor since 2017, certified as MSPO and OSH Management System ISO 45001:2018 lead auditor in 2019 (NIOSH Certification & CQI IRCA). Has 6 years of experience in oil palm industries focusing on RSPO certification.
Muhamad Nazran Nazarno	Auditor Principle 1, 2 & 3 (Management, transparency and legal requirement)	BEng (Hons) Chemical Bioprocess from UiTM. 3 years' experience in palm oil industries - been working with Boustead Estates Agency Sdn Bhd as an Assistant Mill Manager. Also involve closely with the mill to maintain its RSPO, MSPO and SCCS certifications. Qualified as an MSPO auditor in 2020.

2.4 Stakeholder Consultation

Stakeholder consultation was initiated with the announcement in the ECCO's website on 8 September 2020. 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. Generally, no complaint or suggestion was received from all the parties that were interviewed and consulted. All feedbacks and comments received were positive.

2.5 Audit Plan

MSPO Initial Certification Audit	Year 2 Surveillance Audit	Year 3 Surveillance Audit	Year 4 Surveillance Audit	Year 5 Surveillance Audit
Stage 1 – 05/06/2020 Stage 2 – 07/10/2020	10/2021	10/2022	01/2023	01/2024

The actual date of the annual surveillance audit will be discussed and decided 3 months prior to the month of planned audit.

3.0 Summary of Audit Results

3.1 Non-Conformity Reports (NCR) Raised

Details of collected evidences and findings of the audit are presented in a separate MSPO checklist. The result for each of the MSPO requirements (indicators) from all operational areas were evaluated to provide an assessment of conformity. A finding statement is made available for each indicator in order to support the assessment findings.

Major NCR(s)	0
Minor NCR(s)	3
Observation for Improvement (OFI)	1

- ☐ Major NCR(s) - Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The corrective action implemented reviewed to be satisfactory to close out the NCR(s).
- ☒ Minor NCR(s) - Corrective Action Plan has been accepted and reviewed. Verification of the corrective action plan implementation will be carried out in Year 2 Surveillance Audit.
- ☒ OFI(s) - Improvement done on the affected aspect will be verified in the Year 2 Surveillance Audit.

3.2 Audit Conclusion

The management system demonstrated conformity with the requirements of the MSPO (MS2530-3:2013) Part 3: General Principles for Oil Palm Plantations and Organized Smallholders and has provided a satisfactorily sufficient structure to support implementation and maintenance of the management system. Therefore, Lead Auditor has recommended that MSPO Certification be granted to Chin Lian Rubber Estate Sdn Bhd.

4.0 Official Signoff of the Assessment Findings

On behalf of:

ECCO Certified Sdn Bhd



Name : Nur Izzaty Iqlima Norazman
Position : Programme Manager
Date :

On behalf of:

Chin Lian Rubber Estate Sdn Bhd

Name : Dr. Yap Swee Meng
Position : Advisor
Date :

5.0 Appendices

5.1 Map of Location

No	Site Name	Location	GPS Pointer
1	Chin Lian Rubber Estate Sdn Bhd	Mukim Gemas & Mukim Pogoh in Segamat, Johor	2.57573 N, 102.62052 E

Table 1: GPS Points of the all the estates location

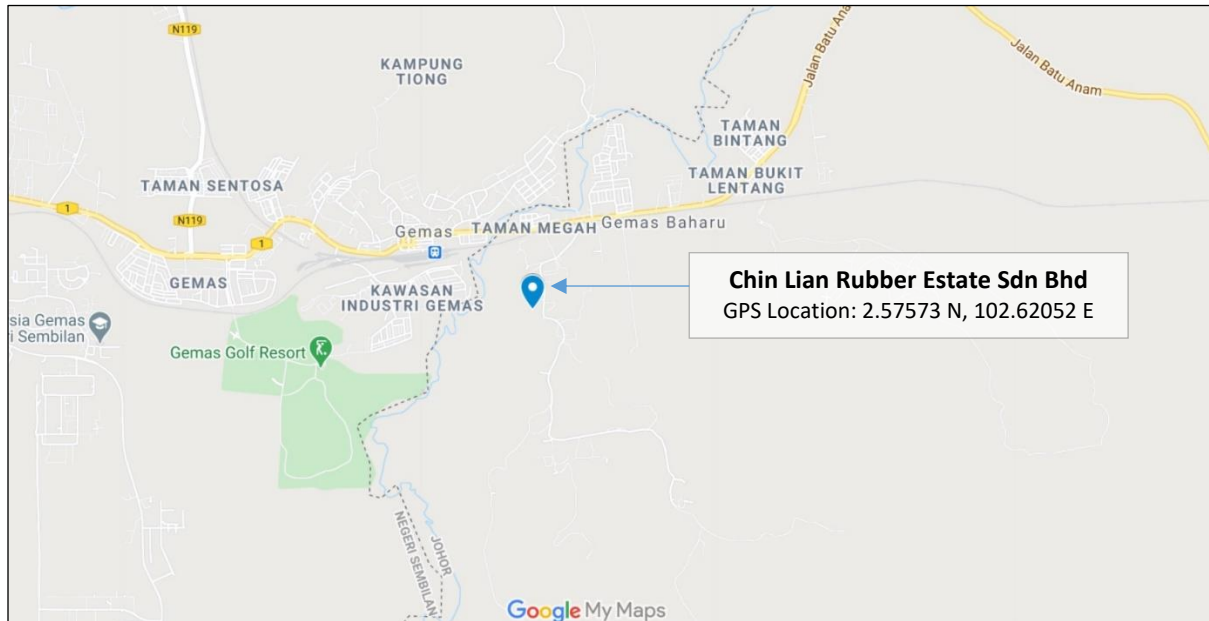


Figure 1: Point of location of Chin Lian Rubber Estate Sdn Bhd on Google Map