

**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	:	1. Kompas Murni Sdn Bhd 2. Jorak Land Sdn Bhd
Address	:	1. Lot PTD 14221, PTD 14222, PTD 14223, PTD 14224, PTD 14225, PTD 14226 & PTD 14227, Lot 5478 & 5479, Lot PTD 17192, Mukim Jorak 84600 Muar Johor 2. Lot 5480, 5481, 5482 & 5484, Mukim Jorak, 84600 Muar, Johor.
Audit Date	:	7 July, 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	:	Amirul Arif Ab Aziz Muhamad Nazran Nazarno
Report by Lead Auditor	:	
Name	:	Edwell James Ghani
Signature	:	

1.0 Introduction

1.1 Details of the Organization

This group consists of Kompass Murni Sdn Bhd and Jorak Land Sdn Bhd. The two estates are owned and managed by the same entity. They share the same management system, policies and Standard Operating Procedures (SOP). Kompass Murni Sdn Bhd is located not far from Bandar Bukit Pasir while Jorak Land Sdn Bhd is in Jalan Pagoh – Simpang Parit; both estates are within Mukim Jorak in Muar, Johor approximately 40 minutes' drive from each other. During the Stage 2 Audit, both estates were visited for site inspection. Information of both estates derived from their MPOB Licenses are as follow:

Estate	Registered Area	Location	License No.	License Activity	Expiry Date
Kompass Murni Sdn Bhd Bhd	109.83 Ha	Mukim Jorak in Muar, Johor	525486102000	Menjual dan mengalih FFB	31/12/2020
Jorak Land Sdn Bhd	82.08 Ha	Mukim Jorak in Muar, Johor	502886102000	Menjual dan mengalih FFB	30/06/2020

1.2 Location and Area Statement

Estate	Location		Land Title Area	Planted Area
	Latitude	Longitude		
Kompass Murni Sdn Bhd Bhd	2.13256 N	102.66460 E	109.83 Ha	109.02 Ha
Jorak Land Sdn Bhd	2.08451 N	102.83527 E	82.08 Ha	81.27 Ha

Refer to **5.0 Appendices** of the map of all the estates location on Google Map.

1.3 Supply Base

Kompass Murni Sdn Bhd Bhd and Jorak Land Sdn Bhd send their FFB to Kilang Sawit Muar Berhad or Bandung Palm Oil Industries Sdn Bhd.

1.4 Tonnage Certified (FFB)

Estate	FFB Production, Metric Tonne (MT)		
	Actual 2018	Actual 2019	Projected 2020
Kompass Murni Sdn Bhd Bhd	-	2820.93 mt	2800.00 mt
Jorak Land Sdn Bhd	-	2337.64 mt	2500.00 mt

1.5 Other Sustainability (or ISO) Certification

Kompass Murni Sdn Bhd Bhd and Jorak Land Sdn Bhd do not hold any other sustainability or ISO certification.

1.6 Organizational Information

The contact person for Kompass Murni Sdn Bhd Bhd and Jorak Land Sdn Bhd:

Name : Mr. Lui Sek Biau
 Address : 12-2 Jalan PPM 11,
 Plaza Pandan Malim Balai Panjang,
 75250 Bandar Melaka, Melaka
 Phone No. : 016-338 8022
 E-mail : sekbiau@yahoo.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. Both estates went through Stage 1 Audit on 19 February 2020 and the Stage 2 was conducted on 7 July 2020. 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 all 4 estates 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 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	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.
Amirul Arif Ab Aziz	Auditor Principle 1, 2 & 3 (Management, transparency and legal requirement)	BSc (Hons) Plantation and Agro Technology Management (UTM), been working with FIMA Corporation Berhad as MSPO Coordinator. certified as MSPO auditor and passed the EMS ISO 14001:2015 auditor course.
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 2 June 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 – 19/02/2020 Stage 2 – 07/07/2020	07/2021	07/2022	07/2023	07/2024

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)	2
Observation for Improvement (OFI)	2

- ☐ 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.
- ☒ 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).
- ☒ 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 Kompass Murni Sdn Bhd Bhd and Jorak Land 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 :

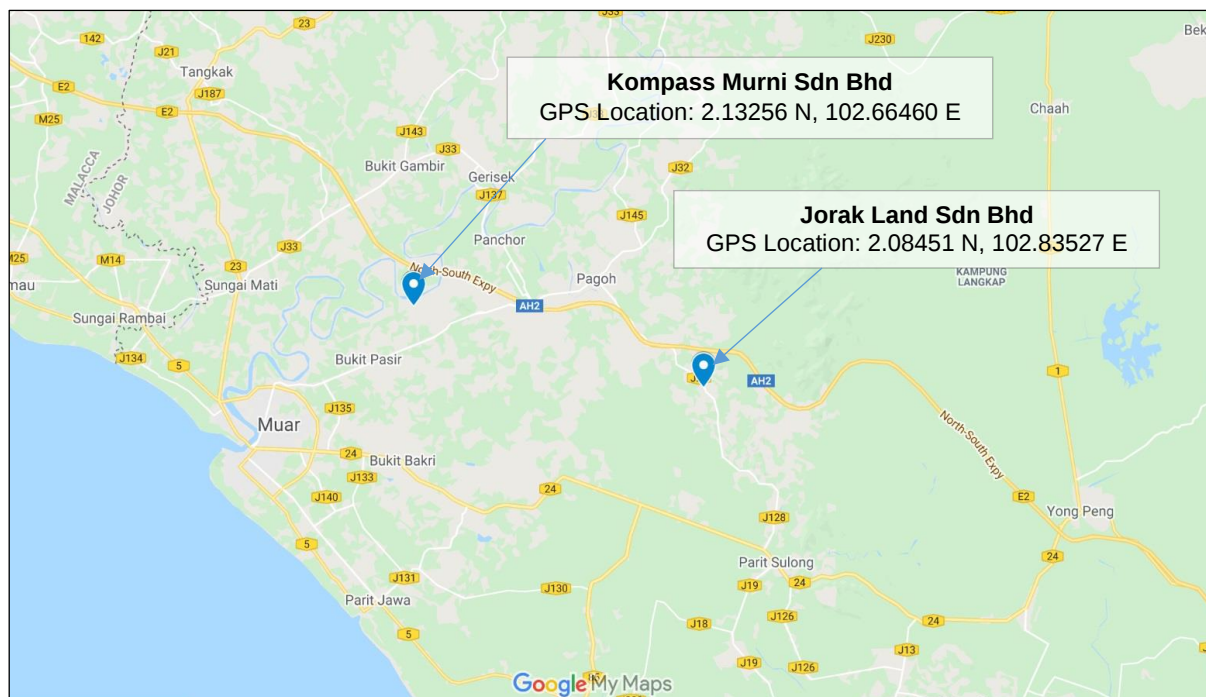
On behalf of:
**Kompass Murni Sdn Bhd Bhd &
Jorak Land Sdn Bhd**

Name :
Position :
Date :

5.0 Appendices

5.1 Map of Location

No	Estate	Location	GPS Pointer
1	Kompass Murni Sdn Bhd	Mukim Jorak, Muar in Johor	2.13256 N, 102.66460 E
2	Jorak Land Sdn Bhd	Mukim Jorak, Muar in Johor	2.08451 N, 102.83527 E



Map 1: Location of the estates on Google Maps based on their GPS points.