

**ECCO CERTIFIED SDN BHD**

03-02 Galleria 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 : Ladang Koperasi Serbaguna Kebangsaan Berhad & Lock Lian Estate

Address : Lot PT 3645, 1762, Mukim Relai, 18300 Gua Musang, Kelantan
: Pt 17042, Mukim Perak 28000 Temerloh, Pahang

Audit Date : 11-12 August, 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

Report by Lead Auditor

Name : Edwell James Ghani

Signature :

1.0 Introduction

1.1 Details of the Organization

Ladang Koperasi Serbaguna Kebangsaan Berhad is an independent estate with a company registration 4391. This company has 2 sites which is Kelantan and Pahang. Their main office is located Petaling Jaya, Selangor.

MPOB Information:

Estate	Location	License No.	Licensed Activity	Expiry Date
Ladang Koperasi Serbaguna Kebangsaan	Gua Musang, Kelantan	569724002000	Menjual dan mengalih FFB	28/02/2021
Lock Lian Estate	Temerloh, Pahang	503601402000	Menjual dan mengalih FFB	30/10/2021

1.2 Location and Area Statement

Estate	GPS Location		Certified Area	Planted Area
	Latitude	Longitude		
Ladang Koperasi Serbaguna Kebangsaan	5.162193 N	102.280432 E	854.91	854.91
Lock Lian Estate	3.430210 N	102.355861 E	111.141	111.14

Refer to **5.0 Appendices** of the map of the estate's location on Google Map based on GPS point.

1.3 Supply Base

The estate sends their FFB to Kilang Sawit KPSB Paloh 3 & Semantan Palm Oil Mill located approximately 20KM from the estate.

1.4 Tonnage Certified (FFB)

Estate	FFB Production, Metric Tonne (MT)		
	Actual 2018	Actual 2019	Projected 2020
Ladang Koperasi Serbaguna Kebangsaan	1096.35	1886.41	2000
Lock Lian Estate	194.86	245.69	300

1.5 Other Sustainability (or ISO) Certifications

Ladang Koperasi Serbaguna Kebangsaan Berhad & Lock Lian Estate does not hold any other sustainability or ISO certification.

1.6 Organizational Information

The contact person for Ladang Koperasi Serbaguna Kebangsaan & Lock Lian Estate is as follow:

Name : Mr. Ashok A/L Arjunan
Address : Lot PT 3645, 1762, Mukim Relai, 18300 Gua Musang, Kelantan
: Pt 17042, Mukim Perak 28000 Temerloh, Pahang
Phone No. : 012-526 3491
E-mail : kskb4391@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 Ladang Koperasi Serbaguna Kebangsaan Berhad & Lock Lian Estate, Stage 1 audit was conducted on 18th June 2020 and Stage 2 on 11th & 12th August 2020 at the estate in Gua Musang & Pahang. 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 the estate 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 was 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 (UTP) major in HSE, 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)	Bachelor of Science (Hons) in Plantation and Agro technology Management (UiTM), been working with Fima Corporation Berhad as MSPO Coordinator which help in prepare and manage standards, procedures and guidelines related to Malaysian Sustainability Palm Oil Certification (MSPO), certified as MSPO and Environmental Management System ISO 14001:2015 Lead Auditor in 2019 & 2020 (OSH ISIS INTERGRATED SOLUTION & CQI IRCA).

2.4 Stakeholder Consultation

Stakeholder consultation was initiated with the announcement in the ECCO's website on 1st July 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 – 18/06/2020 Stage 2 – 11-12/08/2020	08/2021	08/2022	08/2023	08/2024

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 Result**3.1 Non-Conformity Report (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)	1
Minor NCR(s)	5
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 Ladang Koperasi Serbaguna Kebangsaan Berhad & Lock Lian Estate.

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:
Ladang KSKB & Lock Lian Estate

Name : Mr. Ashok A/L Arjunan
Position : Estate Manager
Date :

5.0 Appendices

5.1 Map of Location



Figure 1: Location of Koperasi Serbaguna Kebangsaan Berhad estate based on GPS point in Google Map.



Figure 2: Location of Lock Lian Estate based on GPS point in Google Map.