

**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 : **Lee Chai Ha @ Yuen Hong Estate**

Address : **Yuen Hong Estate, Lot 2701 & 3548, Mukim Chegar Galah, Kuala Kangsar, Perak**

Audit Date : **26 November, 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 : **Amirul Arif Bin Ab Aziz**

Auditor : **Muhammad Nazran Bin Nazarno**

Report by Lead Auditor

Name : **Amirul Arif Bin Ab Aziz**

Signature : 

1.0 Introduction

1.1 Details of the Organization

Lee Chai Ha @ Yuen Hong Estate is an independent estate with a company registration 197672. The estate is located at Lot 2701 & 3548, Mukim Chegar Galah, Kuala Kangsar, Perak.

MPOB Information:

Estate	Location	License No.	Licensed Activity	Expiry Date
Lee Chai Ha @ Yuen Hong Estate	Mukim Chegar Galah, Kuala	502346002000	Menjual dan mengalih FFB	31/08/2021

1.2 Location and Area Statement

Estate	GPS Location		Certified Area	Planted Area
	Latitude	Longitude		
Lee Chai Ha @ Yuen Hong Estate	5.06961 N	100.97179 E	83.78 Ha	83.78 Ha

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 Minsawi Industries (Kuala Kangsar) Sdn Bhd.

1.4 Tonnage Certified (FFB)

Estate	FFB Production, Metric Tonne (MT)		
	Actual 2019	Actual 2020	Projected 2021
Lee Chai Ha @ Yuen Hong Estate	-	-	-

1.5 Other Sustainability (or ISO) Certifications

Lee Chai Ha @ Yuen Hong Estate does not hold any other sustainability or ISO certification.

1.6 Organizational Information

The contact person for Lee Chai Ha @ Yuen Hong Estate is as follow:

Name : Mr. Lee Teck Leong
Address : Lot 2701 & 3548, Mukim Chegar Galah, Kuala Kangsar, Perak
Phone No. : 012 – 399 5286
E-mail : ke_electrical_kk@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. For Lee Chai Ha @ Yuen Hong Estate, Stage 1 audit was conducted on 19th August 2020 and Stage 2 on 26th November 2020 at the

estate in Lenggong, Perak. Stage 1 Audit was conducted mainly to review documents and to check area of concerns as to see how ready the estate 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 were also done to further support and validate findings from Stage 1 audit.

The methodology for collecting objective evidence 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 evidence obtained were based on samples of information available; thereby introduces the element of uncertainty.

2.3 Audit Team

AUDIT TEAM MEMBERS - ROLE AND QUALIFICATION	
Edwell James Ghani Role: Lead Auditor Audited Principle 1 to 6	• Certified RSPO and MSPO Lead Auditor • Certified OSH Management System ISO 45001:2018 Auditor • BEng (Hons) Chemical Engineering (HSE) from UTP • 3 years with Petronas Corporate HSE as Regional Industrial Hygiene Assessor • 5 years with Wild Asia Sdn Bhd as Program Coordinator (Sabah Region) for RSPO Certification
Amirul Arif Ab Aziz Role: Lead Auditor Audited Principle 1 to 6	• Certified MSPO Lead Auditor • Certified EMS ISO 14001:2015 Auditor • BSc (Hons) Plantation and Agro Technology Management (UiTM) • Worked with FIMA Corporation Berhad as MSPO Coordinator
Muhamad Nazran Nazarno Role: Auditor Audited Principle 1 & 3	• Certified MSPO Lead Auditor • BEng (Hons) Chemical Bioprocess (UiTM) Worked with FIMA • Worked with Boustead Estates Agency Sdn Bhd as Assistant Mill Manager

2.4 Stakeholder Consultation

Stakeholder consultation was initiated with the announcement in the ECCO's website on 1st October 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 – 19/08/2020 Stage 2 – 26/11/2020	11/2021	11/2022	11/2023	11/2024

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 evidence 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)	1
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 Lee Chai Ha @ Yuen Hong 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:

Lee Chai Ha @ Yuen Hong Estate

Name : Mr. Lee Teck Leong
Position : Managing Director
Date :

5.0 Appendices

5.1 Map of Location

No	Estate	Location	GPS Point
1	Lee Chai Ha @ Yuen Hong Estate	Mukim Chegar Galah, Kuala Kangsar	5.06961 N, 100.97179 E



Figure 1: Location of Lee Chai Ha @ Yuen Hong Estate based on GPS point in Google Map.