



EMPOWERING SUSTAINABILITY

ECCO CERTIFIED SDN BHD

03-02 Galleria Cyberjaya,
Jalan Teknokrat 6, Cyber 5,
63000 Cyberjaya, Selangor

PUBLIC SUMMARY REPORT

MALAYSIAN SUSTAINABLE PALM OIL

MSPO

Southern Realty (Malaya) Sdn Bhd Organization

Merbau Estate Certified Unit

Lot 563, Mukim Ijok, 45800 Kuala Selangor, Certified Unit
Selangor, Malaysia Address

MSPO (MS2530-3:2013) Part 3: General Principles Standard Reference
for Oil Palm Plantations and Organized Smallholders

Annual Surveillance Audit - Year 1 (ASA-1) Certification Audit

Individual (Oil Palm Estate) Certification Type

Sustainable production of oil palm fresh fruit bunches (FFB) Audit Scope
in compliance to the MSPO Certification
Standard MS2530-3:2013 Part 3

10 December 2020 Audit Date

MSPO Certificate

ECCO-MS2530-C0053 Certificate No.

14 June 2019 till 13 June 2024 Validity Period

Issue 2: Annual Surveillance Audit - Year 1 (ASA-1) Current Issue
10 March 2021

Audit Team

Edwell James Lead Auditor

Amirul Arif Abd Aziz Auditor

Full Report:

ECCO-RP-03_0075 Merbau Estate
- MSPO Annual Surveillance Audit Year 1 (ASA-1) Report

Written by **Edwell James**

EXECUTIVE SUMMARY

ORGANIZATION INFORMATION

Organization	Southern Realty (Malaya) Sdn Bhd		
Certified Unit Name	Merbau Estate		
Certified Unit Address	Head Office Address Wisma Southern, 6th Floor, No. 26-34, Jalan Dato Hamzah, 41000 Klang, Selangor, Malaysia. Estate Address Merbau Estate, Lot 563, Mukim Ijok, 45800 Kuala Selangor, Selangor, Malaysia.		
MSPO Standard Reference	MSPO (MS2530-3:2013) - Part 3: General Principles for Oil Palm Plantations and Organized Smallholders	Accreditation Body	Department of Standard Malaysia (DSM)
Organization Representative(s)	Mr. Ravindran Subramaniam Plantation Controller E-mail: ravin@southern.com.my Mobile: +6012 637 5746 Mr. Koielepullai @ Jacob Estate Manager E-mail: bukitijok_estate@yahoo.com Mobile: + 6019 272 4901 Mr Rajesh Kumaar Plantation Department Office Email: jesh_southern@yahoo.com Mobile: +6013 285 7142		
Certification Audit	Annual Surveillance Audit – Year 1 (ASA-1)	Audit Date	10 December 2020
Audit Team	Lead Auditor : Mr. Edwell James Auditor : Mr. Amirul Arif Ab Aziz		
Audit Scope	Sustainable production of oil palm fresh fruit bunches (FFB) in compliance to the MSPO Certification Standard MS2530-3:2013 - Part 3		
Certification Type	Individual (Oil Palm Estate)		
Certified Area	457.69 Ha		
MSPO Certificate	Certificate No : ECCO-MS2530-0053 (Previously SGS-MSPO-MY19/1811030047) Validity : 14 June 2019 until 13 June 2024 Issue 1 : Initial Certification Audit – 14 June 2019 Issue 2 : Annual Surveillance Audit Year 1 (ASA-1) – 10 March 2021		
Other Current Certification	Merbau Estate does not hold or currently being certified under any other sustainability or ISO certification scheme		

DETAILS OF CERTIFIED UNIT

Merbau Estate (MRE) is located in Mukim Ijok within the district of Kuala Selangor. The estate covers a total of 457.69 Ha of land and currently about 427.31 Ha is planted with oil palms. Merbau Estate shares the same management staffs and workers with Bukit Ijok Estate. Both estates are located next to each other. Crops from Merbau Estate are supplied to Golconda Palm Oil Mill, own by the same company, Southern Realty (M) Sdn Bhd.

Location of the Certified Unit

Certified Unit	Locality	GPS Coordinate
Merbau Estate	Kuala Selangor, Selangor	3.26531 N, 101.39046 E

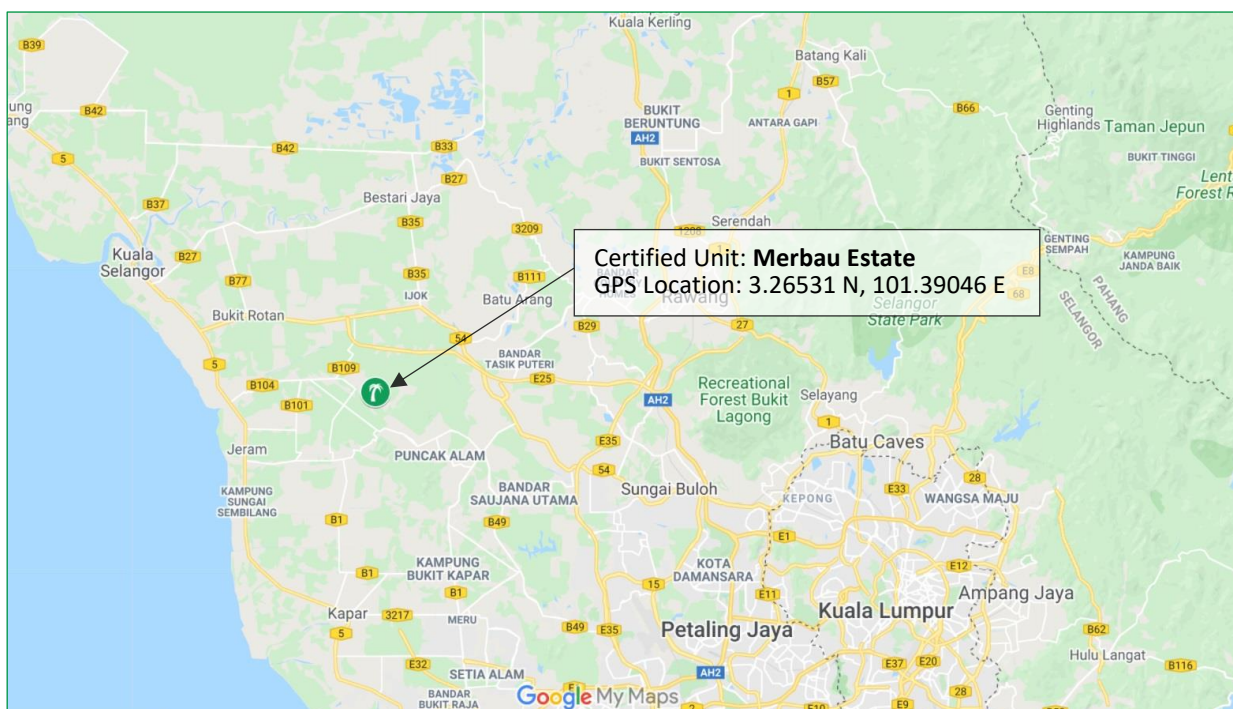


Figure 1: Location of Merbau Estate in Google Map based on its GPS coordinate

MPOB License Information

Certified Unit	MPOB License	Scope of Activity	Expiry Date
Merbau Estate	508871502000	Menjual dan mengalih FFB	30/06/2021

Annual FFB Production (Metric Tonne, MT)

Certified Unit	Actual 2019	Actual 2020	Projected 2021
Merbau Estate	7193.58 MT	9057.00 MT	8927.00 MT

Area Statement (Hectare, Ha)

Certified Unit	Land Title	Planted	Conservation	HBV	Others
Merbau Estate	457.69 Ha	427.31 Ha	0	0	30.38 Ha

Refer to **APPENDIX G: Summary of Estate Land Titles** and **APPENDIX H: Estate Field Block and Planting Profile** for the detail information on the estate area statement.

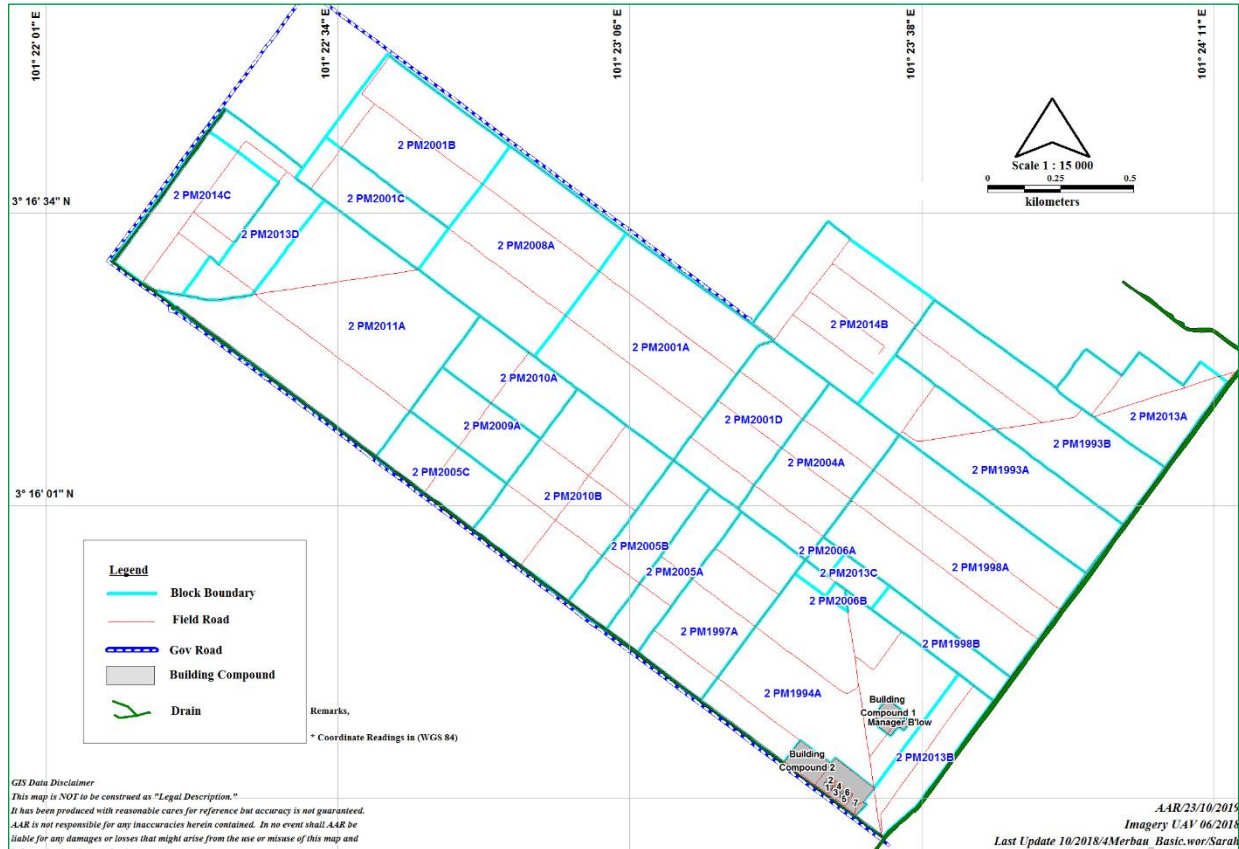


Figure 2: Map of Merbau Estate depicting estate boundary, field blocks etc.

AUDIT TEAM AND ASSESSMENT PROCESS

AUDIT TEAM MEMBERS - ROLE AND QUALIFICATION

Edwell James Role: Lead Auditor Audited Principle 2, 5 & 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 Department as a Regional Industrial Hygiene Assessor • 5 years with Wild Asia Sdn Bhd as Regional Program Coordinator (Sabah) for RSPO Certification
Amirul Arif Ab Aziz Role: Auditor Audited Principle 1, 3 & 4	• 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

AUDIT METHODOLOGY

Audit Objectives	• To confirm the client's management system conformation with the audit standard requirement and its implementation • To verify the effectiveness of Corrective Action implemented to close any Non-Conformity (NC) raised during the previous audit (Initial Certification Audit) in 2019 • To make appropriate recommendations based on the audit findings
Certification Standard	MSPO (MS2530-3:2013) - Part 3: General Principles for Oil Palm Plantations and Organized Smallholders
Certification Type	Individual (Palm Oil Mill)
Audit Methodology	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.
Calculation of Sample Size	Sampling is not applicable for individual audit
Audit Date	10 December 2020
Participants	Refer to Appendix E: Participants Attendance List
Deviation from Audit Plan	None
Issues affecting the Audit Program	None
Changes to Management System since last audit	None
Unresolved issues	None

AUDIT FINDINGS SUMMARY AND RECOMMENDATION

AUDIT FINDINGS SUMMARY

Major Non-Conformities (NC)	0
Minor Non-Conformities (NC)	0
Observation for Improvement (OFI)	4

Refer to **APPENDIX B: Details of Non-Conformities (NC) and Corrective Actions**

PREVIOUS AUDIT RESULT (IF APPLICABLE)

No. of Non-Conformity (NC) raised from the previous audit	Initial Certification Audit (Stage 2) 5 Minor NC & 8 OBS
The audit team has reviewed the result from the previous audit (MSPO Initial Certification Audit) and verified the effectiveness of the closing of any Non-Conformity (NC) raised. As a conclusion:	
☒	All Non-Conformities raised during the previous audit has been corrected and Corrective Action or Corrective Action Plan has been carried out and implemented effectively
☐	The management system has not adequately addressed Non-Conformity (NC) raised during the previous audit and the specific issue has been re-defined in this report.

Refer to **APPENDIX C: Status of Non-Conformities (NC) Raised in the Previous Audit**

STAKEHOLDER CONSULTATION

Issues raised by Stakeholders	Refer to APPENDIX F: Stakeholders Consultation Findings
Summary	All positive comments

AUDIT CONCLUSION AND RECOMMENDATION

The audit objectives have been achieved and the certificate scope remains appropriate. Based on the audit findings the audit team concluded that:

- The management system documentation demonstrated conformity with the requirements of the audit standard and provided sufficient structure to support implementation and maintenance of the management system
- The management system is in line with the requirements of the standard and demonstrated the ability of the system to systematically achieve agreed requirements for products or services within the scope and the organization's policies and objectives.
- All Non-Conformities raised during the previous audit has been corrected and Corrective Action or Corrective Action Plan has been carried out and implemented effectively
- There was no complaint received during the field assessment and during interview with the external stakeholders.
- Throughout the audit process, the management system demonstrated overall conformance with the requirements of the audit standard.

Therefore, the audit team recommends that, based on the results of this audit and the organization commitment towards complying with **MSPO (MS2530-3:2013) - Part 3: General Principles for Oil Palm Plantations and Organized Smallholders**, management system certification be continued for **Southern Realty (Malaya) Sdn Bhd – Merbau Estate**.

AUDIT PROGRAM

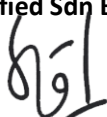
Item	Description	Man-days	Tentative Date
Initial Certification Audit	Site Audit - Stage 1	2	2019
	Site Audit - Stage 2	2	12 April 2019
Annual Surveillance Audit – Year 1	Site Audit	3	10 December 2020
Annual Surveillance Audit – Year 2	Site Audit	2	December 2021
Annual Surveillance Audit – Year 3	Site Audit	2	December 2022
Annual Surveillance Audit – Year 4	Site Audit	2	December 2022

Refer to **APPENDIX D: Details of Audit Plan** for the Annual Surveillance Audit – Year 1 (ASA-1)

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

OFFICIAL SIGNOFF

On behalf of:
ECCO Certified Sdn Bhd



Name : Nur Izzaty Iqlima Norazman
Position : Programme Manager
Date : 1 March 2021

On behalf of:
Merbau Estate

Name : Mr. Koielepullai @ Jacob
Position : Estate Manager
Date :