



ECCO CERTIFIED SDN BHD

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

PUBLIC SUMMARY REPORT

MALAYSIAN SUSTAINABLE PALM OIL

MSPO

Sungei Kahang Palm Oil Mill Sdn Bhd Organization
Sungei Kahang Palm Oil Mill Sdn Bhd Certified Unit
(Refer Executive Summary) Certified Unit
Address
MSPO (MS2530-4:2013) - Part 4: General Principles for Palm Oil Mills Standard Reference
Annual Surveillance Audit – Year 3 (ASA – 3) Certification Audit
Individual (Palm Oil Mill) Certification Type
Sustainable production of Crude Palm Oil (CPO) and Palm Kernel (PK) in compliance to the MSPO Certification Standard MS2530-4:2013 - Part 4 Audit Scope
19 September 2022 Audit Date

MSPO Certificate
ECCO-MS2530-C0095 Certificate No.
26 July 2019 till 25 July 2024 Validity Period

Audit Team
Amirul Arif Ab Aziz Lead Auditor
Mohamad Zulkefli Md Isa Auditor

Full Report:

ECCO-RP-03_0098_MSPO Annual Surveillance Audit – Year 3
(ASA – 3) Report_ Sungei Kahang Palm Oil Mill Sdn Bhd

Written by **Amirul Arif**

EXECUTIVE SUMMARY

ORGANIZATION INFORMATION

Organization	Sungei Kahang Palm Oil Mill Sdn Bhd		
Certified Unit Name	Sungei Kahang Palm Oil Mill Sdn Bhd		
Certified Unit Address	Head Office Address 171 A, Jalan Sri Pelangi Taman Pelangi, 80400 Johor Bahru, Johor Estate Address Lot 402 Mukim Kahang, Batu 22, Jalan Mersing, Kahang, 86700 Kluang, Johor		
MSPO Standard Reference	MSPO (MS2530-4:2013) - Part 4: General Principles for Palm Oil Mills	Accreditation Body	Department of Standard Malaysia (DSM)
Organization Representative(s)	Mr. Isaac Lee Xing Wei Group Manager E-mail: isaac.lee@me.com Mobile: +012 – 7277030 Mr. Timothy Chandrabose MSPO Coordinator E-mail: timo_zed@hotmail.com Mobile: +012 – 5296189		
Certification Audit	MSPO Annual Surveillance Audit Year – 3 (ASA – 3)	Audit Date	19 September 2022
Audit Team	Lead Auditor : Amirul Arif Ab Aziz Auditor : Mohamad Zulkefli Md Isa		
Audit Scope	Sustainable production of Crude Palm Oil (CPO) and Palm Kernel (PK) in compliance to the MSPO Certification Standard MS2530-4:2013 - Part 4		
Certification Type	Individual (Palm Oil Mill)		
Mill Capacity	120 MT/hour		
MSPO Certificate	Certificate No : ECCO-MS2530-0095 Validity : 26 July 2019 till 25 July 2024		
Other Current Certification	Sungei Kahang Palm Oil Mill Sdn Bhd is also certified under MSPO Supply Chain Certification Standard (SCCS)		
Usage of MSPO Logo	Sungei Kahang Palm Oil Mill Sdn Bhd are currently not using MSPO logo in their operation and product		

DETAILS OF CERTIFIED UNIT

Background

Sungei Kahang Palm Oil Sdn. Bhd. is a subsidiary company wholly owned by Bunga Group. Sungei Kahang Palm Oil Sdn. Bhd. were located in Lot 402 Mukim Kahang, Batu 22, Jalan Mersing, Kahang, Kluang, Johor. The mill processing capacity is 120mt FFB per hour

This surveillance audit was conducted to ensure the company is still meeting the key elements of the MSPO standards requirement and to verify that all non-conformities (NC) issued in the previous audit has been closed and all corrective actions have been implemented effectively.

Certified Unit Name and Address

Certified Unit	Estate Address
Sungei Kahang Palm Oil Mill	Lot 402 Mukim Kahang, Batu 22, Jalan Mersing, Kahang, 86700 Kluang, Johor

Location of the Certified Unit

Certified Unit	Locality	GPS Coordinate
Sungei Kahang Palm Oil Mill	Kahang, Johor	2.229151 N, 103.527153 E



Figure 1: Location **Sungei Kahang Palm Oil Mill Sdn Bhd** in Google Map based on its GPS coordinate

Supply based and annual CPO & PK production

Year	FFB (MT)	CPO (MT)	OER	PK (MT)	KER
2020					
2021					
Projected 2022					

AUDIT TEAM AND ASSESSMENT PROCESS
CERTIFICATION BODY

ECCO is a homegrown company providing certification for forward-looking business owners in the agriculture industry. Founded in 2018, **ECCO** conducts independent sustainable palm oil audits for palm oil industry players in Malaysia to MSPO 2530 series standards.

Our work environment is one in which people are committed to excellence and are working together to accomplish common goals with high ethical standards. Each **ECCO** employee is a stakeholder in the success of our company, and we are all dedicated to enhancing the success of our clients through the service we provide. **ECCO** has been providing audit services in twelve (12) states across Malaysia.

ECCO is headquartered at Cyberjaya, Selangor and is accredited by the Department of Standards (DSM) Malaysia and is also listed in the Malaysian Palm Oil Certification Council (MPOCC).

AUDIT TEAM MEMBERS - ROLE AND QUALIFICATION

Amirul Arif Ab Aziz Role: Lead Auditor Assessed Principle 2,4 & 6	• Certified MSPO Lead Auditor • Certified MSPO SCCS Auditor • Certified EMS ISO 14001:2015 Auditor • BSc (Hons) Plantation and Agro Technology Management (UiTM) • Worked with FIMA Corporation Berhad as MSPO Coordinator • Lead Auditor at ECCO Certified since 2020
Mohamad Zulkefli Md Isa Role: Auditor Audited Principle 1,3 & 5	• Bac Sc (Resource Economics), UPM • Master's Degree in OSH Management, UTM • More than 25 years since 1997, working experience in various sectors • Experienced with the implementation, auditing, and training aspects of ISO, MSPO, RSPO, ISCC and SCCS for various CBs • Possesses the Lead Auditor MSPO MS 2530:2013 by SIRIM in 2017 • International Certification and is currently a Lead Auditor for ISO 9001, ISO 14001, ISO 45001, MSPO among others • Able to communicate in English and Bahasa Malaysia, among others

AUDIT METHODOLOGY	
Audit Objectives	- To confirm the client's management system conformation with MSPO certification requirement respective to the participating unit's certification standard. - To confirm that the organization has effectively implemented the planned management system - To verify effectiveness of implementation of Corrective Actions and Corrective Action Plans for all Non-Conformities (NC) raised during the MSPO Annual Surveillance Audit – Year 2 in the previous year - To make appropriate recommendations based on the audit findings
Certification Standard	MSPO (MS2530-4:2013) - Part 4: General Principles for Palm Oil Mills
Certification Type	Individual (Palm Oil Mill)
Audit Methodology	Site Audit This audit was conducted in several methods for collecting objective evidence: - Document review and data review, aiming to observe the sufficiency of types or substances from required documents - Interview with staffs and workers, aiming to obtain more detailed information and cross check the information - Consultation with contractors, suppliers, and stakeholders – to gain a better insight on social relationship of the organization - Site inspection/Field observation - to directly observe the sufficiency of implementation on site. The audit evidence obtained were based on samples of information available; thereby introduces the element of uncertainty.
Calculation of Sample Size	The sample size is determined by the following formula: $S = r \sqrt{np}$; Whereby S = sample size r = risk factor n = number of members. r is selected as per below: - Low risk: risk factor 1.0 - Medium risk: risk factor 1.5 - High risk: risk factor 2 The lowest possible sample size number is one. Calculation method for sampling size is not applicable for individual certification audit.
Audit Date	19 September 2022
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)	1
Observation for Improvement (OFI)	1

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	<u>MSPO Annual Surveillance Audit Year 2</u> 2 Minors & 1 OFI
The audit team has reviewed the result from the previous audit (MSPO Annual Surveillance Audit Year 2) 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.

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 (MS2530-4:2013) - Part 4: General Principles for Palm Oil Mills**, management system certification be continued for **Sungei Kahang Palm Oil Mill Sdn Bhd**.

AUDIT PROGRAM

Item	Description	Man-days	Tentative Date
Initial Certification Audit	Site Audit - Stage 1		-
	Site Audit - Stage 2		28 & 29 January 2019
Annual Surveillance Audit - Year 1	Site Audit	2	27 & 28 August 2020
Annual Surveillance Audit - Year 2	Remote	2	19 October 2021
Annual Surveillance Audit - Year 3	Site Audit	2	19 September 2022
Annual Surveillance Audit - Year 4	Site Audit	2	-

Refer to **APPENDIX D: Details of Audit Plan** for the Annual Surveillance Audit – Year 3 (ASA – 3)

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: 19 September 2022

On behalf of:
Sungei Kahang Palm Oil Mill Sdn Bhd

Name: Mr. Isaac Lee Xing Wei
Position: Group General Manager
Date: 19 September 2022