



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

Khean Thai Plantations Sdn Bhd & The Chye Seong Sdn Bhd Organization

Khean Thai Plantations Sdn Bhd & The Chye Seong Sdn Bhd Certified Unit

(Refer Executive Summary) Certified Unit
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

Group (Oil Palm Estates) 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

7th September 2022 Audit Date

MSPO Certificate

ECCO-MS2530-C0079 Certificate No.

19 July 2021 till 18 July 2026 Validity Period

Audit Team

Valentino Kerish Imau Lead Auditor-In Training

Amirul Arif Abd Aziz Auditor

Full Report:

**ECCO-RP-03_0041_Khean Thai Plantations Sdn Bhd & The CHye
Seong & Sons Sdn Bhd-MSPO Annual Surveillance Audit Year 1
(ASA-1) Report**

Written by **Valentino Kerish Imau**

EXECUTIVE SUMMARY

ORGANIZATION INFORMATION

Organization	Khean Thai Plantations Sdn Bhd & Teh Chye Seong & Sons Sdn Bhd
Estate Name	Khean Thai Plantations Sdn Bhd Teh Chye Seong & Sons Sdn Bhd
Address	Khean Thai Plantations Sdn Bhd Lot 579, 8595, 8601 & 8600, Mukim Sungai Petani, 08000 Kuala Muda, Kedah. Teh Chye Seong & Sons Sdn Bhd Lot 410, 3293, 2400, 2401, Mukim Tawar, Baling, Kedah.

MSPO Standard Reference	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. Teh Weng Kok Director E-mail: wengkok325@hotmail.com Mobile: +6012 477 1286		
Certification Audit	MSPO Annual Surveillance Audit Year 1 (ASA-1)	Audit Date	7 th September 2022
Audit Team	Lead Auditor-In Training : Mr. Valentino Kerish Imau Auditor : Mr. Amirul Arif Abd Aziz		
Audit Scope	Sustainable production of oil palm fresh fruit bunches (FFB)		
Certification Type	Group (Oil Palm Estates)		
Certified Area	293.72 Ha		
MSPO Certificate	Certificate No : ECCO-MS2530-0079 Validity : 19 July 2021 till 18 July 2026		
Other Current Certification	Both estates in The Group do not hold or currently being certified under any other sustainability or ISO certification scheme.		
Usage of MSPO Logo	The organization is currently not using MSPO logo in their operation and product.		

DETAILS OF CERTIFIED UNIT

Group Introduction

The Group consists of 2 estates namely Khean Thai Plantations Sdn Bhd and Teh Chye Seong & Sons Sdn Bhd. Both are independent estates owned and managed by the same entity. Both estates are in Kedah, Khean Thai Plantations Sdn Bhd is located in Mukim Sungai Petani while Teh Chye Seong & Sons is in Mukim Tawar. The distance between the 2 estates is approximately 30 km by road.

Location of certified unit		
Unit	Location Address	GPS Coordinate
Khean Thai Plantations Sdn Bhd	Mukim Sungai Petani, Kedah	5.71346 N, 100.56397 E
Teh Chye Seong & Sons Sdn Bhd	Mukim Tawar, Kedah	5.57501 N, 100.78322 E

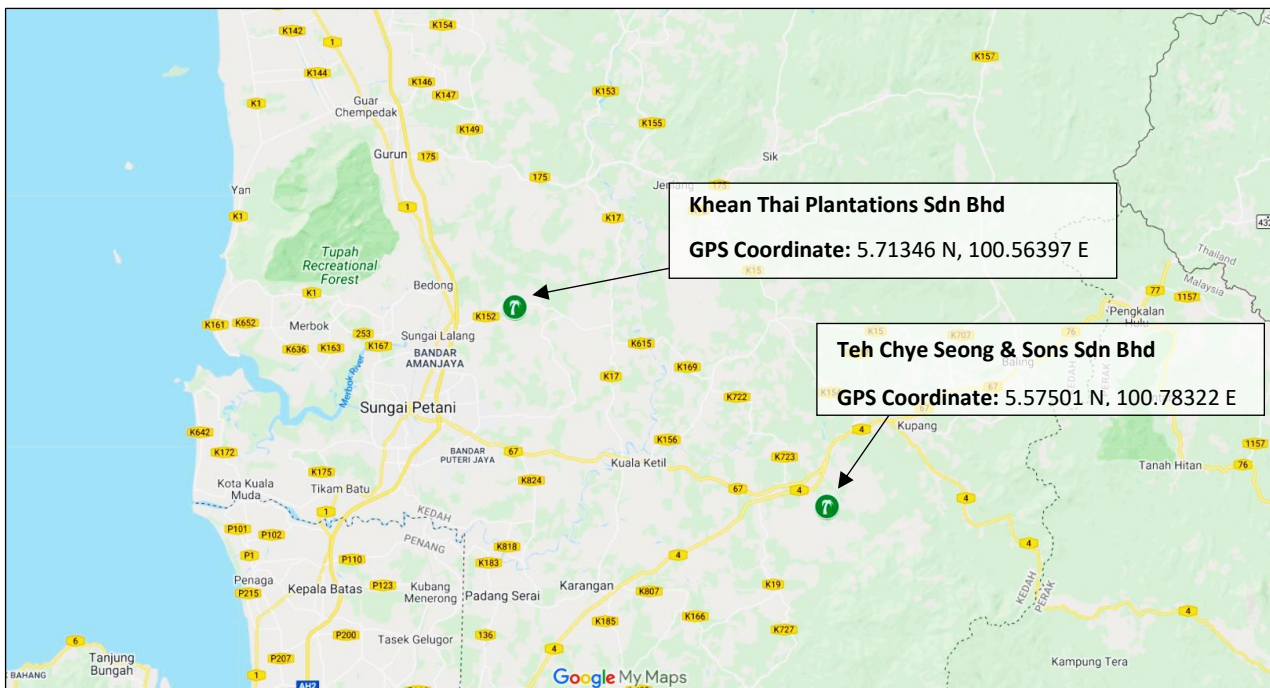


Figure 1: Location of both estates in Google Map based on its GPS coordinate.

MPOB License Information

Certified Unit	MPOB License	Scope of Activity	Expiry Date
Khean Thai Plantations Sdn Bhd	504378-902000	Menjual & mengalih FFB	31/03/2023
Teh Chye Seong & Sons Sdn Bhd	568321-002000	Menjual & mengalih FFB	31/01/2023

Annual FFB Production (Metric Tonne, MT)

Certified Unit	Actual 2020	Actual 2021	Projected 2022
Khean Thai Plantations Sdn Bhd	2,218.44 MT	740.09 MT	800.00 MT
Teh Chye Seong & Sons Sdn Bhd	597.59 MT	132.40 MT	500.00 MT
Total	2,816.03 MT	872.49 MT	1,300.00 MT

Area Statement (Hectare, Ha)

Certified Unit	Land Title	Planted	Conservation	HBV	Others
Khean Thai Plantations Sdn Bhd	224.89 Ha	137.85 Ha	0	0	87.04 Ha
Teh Chye Seong & Sons Sdn Bhd	68.83 Ha	67.98 Ha	0	0	0.85 Ha
Total	293.72 Ha	205.83 Ha	0	0	87.89 Ha

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

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	
Valentino Kerish Imau Role: Lead Auditor-in Training Audited Principle 1, 3 & 5	• Certified MSPO MS2530:2013 Lead Auditor • Bachelor of Social Science with Honours in Geography (UKM) • Three (3) years' experience as Environmental Officer in sustainability certifications (MSPO & ISCC) implementation
Amirul Arif Ab Aziz Role: 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

AUDIT METHODOLOGY	
Audit Objectives	• To confirm the client's management system conformation with all the audit standard requirement • To confirm that the organization has effectively implemented the planned management system • To confirm that the management system is capable of achieving the organization's policy objectives. • 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	Group (Oil Palm Estates)
Audit Methodology	The methodology for collecting objective evidences is by documentations review, physical site inspection, observation of tasks and processes as well as interviews. Physical site visit is done to the field, workers quarters, workshop, chemical store, waste collection areas and other surrounding facilities such as clinic, surau and sundry shop. Interviews are done with the management unit's management, employees, contractors and other relevant stakeholders were also conducted during the audit. 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: $S = r \sqrt{n}$; 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. $S = 1.5 \sqrt{2}$ $= 1.5 \sqrt{2}$ $= 2$

	S = 2 estates Total Sample: 2 estates.	
Audit Date	7 th 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)	-
Minor Non-Conformities (NC)	2
Observation for Improvement (OFI)	2

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	MSPO Initial Certification Audit (Stage 2) 1 Major, 1 Minor, 4 OFIs
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.

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 **Khean Thai Plantations Sdn Bhd & Teh Chye Seong & Sons Sdn Bhd**.

AUDIT PROGRAM

Item	Description	Man-days	Tentative Date
Initial Certification Audit	Site Audit - Stage 1	2	19 January 2021
	Site Audit – Stage 2	2	20 April 2021
Annual Surveillance Audit – Year 1	Site Audit	2	7 September 2022
Annual Surveillance Audit – Year 2	Site Audit	2	April 2023
Annual Surveillance Audit – Year 3	Site Audit	2	April 2024
Annual Surveillance Audit – Year 4	Site Audit	2	April 2025

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: 7th September 2022

On behalf of:

**Khean Thai Plantations Sdn Bhd & Teh
Chye Seong & Sons Sdn Bhd**

Name: Mr. Teh Weng Kok

Position: Director

Date: 7th September 2022