



SIRIM QAS INTERNATIONAL SDN. BHD.
MANAGEMENT SYSTEM CERTIFICATION DEPARTMENT
SIRIM Complex,
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40700 Shah Alam, Selangor Darul Ehsan, Malaysia

File Reference:
ES22110002

PUBLIC SUMMARY REPORT
MALAYSIAN SUSTAINABLE PALM OIL (MSPO)

Type of certification : ~~Stage 2 Initial Certification / Surveillance / Recertification Individual certification~~ / Group Certification

Organization : Bunga Group – Sayong Plantation Business Unit

Address : 9th Floor, Wisma Bunga, 11 Jalan Lambak, 86000 Kluang, Johor, Malaysia.

Audit date : 28th – 31st 2019 & 2nd February 2019

Standard : Malaysian Sustainable Palm Oil (MSPO)

MS 2530-2:2013 General principles for independent smallholders

/ MS 2530-3:2013 General principles for oil palm plantations and organized smallholders

MS 2530-4:2013 General principles for palm oil mills

Scope of certification : Production of Sustainable Fresh Fruit Bunches (FFB)

Lead auditor : Mohd Ab Raouf bin Asis

Auditor : Dzulfiqar bin Azmi

Report by lead auditor

Name : Mohd Ab Raouf bin Asis

Signature :

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[INDIVIDUAL CERTIFICATION]**

1.0 Introduction

1.1 Description of the organization

Bunga Group, administrative office was located at 9th Floor, Wisma Bunga, Kluang Johor. The company owned six palm oil estates namely Sayong Plantation Sdn Bhd., Ecogreen Plantation Sdn Bhd., See Heng Enterprise Sdn Bhd, Kalsen Enterprise Sdn Bhd., Eastbay Venture Sdn. Bhd. and Value Greenworld Sdn Bhd. Four of the estates were located at Kluang, Johor namely Sayong Plantation Sdn Bhd., Ecogreen Plantation Sdn Bhd., See Heng Enterprise Sdn Bhd, Kalsen Enterprise Sdn Bhd. While Eastbay Venture Sdn. Bhd. and Value Greenworld Sdn Bhd. were located at Gua Musang, Kelantan. Bunga Group has applied to SIRIM QAS International Sdn Bhd. for MSPO group certification. The group members consist of six palm oil estates namely

- Sayong Plantation Sdn Bhd. hereafter referred as Sayong
- Ecogreen Plantation Sdn. Bhd. hereafter referred as Ecogreen
- See Heng Enterprise Sdn Bhd, hereafter referred as See Heng
- Kalsen Enterprise Sdn Bhd. hereafter referred as Kalsen
- Eastbay Venture Sdn. Bhd. hereafter referred as Eastbay
- Value Greenworld Sdn Bhd. hereafter referred as Value Greenworld

Bunga Group, General Manager (Mr Isaac Lee Xing Wei) is heading the MSPO Group certification. Mr Chan Tian Fook is Sayong Estate Manager and assisted by Mr Chua Teng Kwee. The field operation of Ecogreen, Kalsen and Eastbay were managed by Sayong management team.

1.2 Location and hectarage statement

The GPS location of the estate administration office as follows:

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
	Sungei Kahang Estate	2.21589	103.54046	Karung Berkunci No. 101, 86700 Kahang, Kluang, Johor.
	Ecogreen Plantation Estate	2.135348	103.433914	Batu 13, Jalan Mersing, 86700 Kluang, Johor.
	See Heng Enterprise Estate	1.908648	103.397838	86300 Renggam, Johor.
	Kalsen Enterprise Estate	1.955231	103.338051	Batu 6, Jalan Mengkibol, 86000 Kluang, Johor.
	Eastbay Venture Estate	2.455447	103.560812	KM 15, Kampung Limau Kasturi, 18300 Gua Musang, Kelantan.

Estate	Planted (ha)	Certified (ha)
Sayong Plantation Sdn Bhd	2102.49	2102.49
Ecogreen Plantation Sdn Bhd	196.28	196.28
See Heng Enterprise Sdn Bhd	239.42	239.42
Kalsen Enterprise Sdn Bhd	108.20	108.20
Eastbay Venture Sdn Bhd	1322.16	1322.16
Total	3968.55	3968.55

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1.3 Description of supply base (fruit sources)

Ecogreen Plantation, See Heng Enterprise, Sungei Kahang Estate, Kalsen Enterprise and Eastbay Venture has supplied their Fresh Fruit Bunches (FFB) to Sungei Kahang Palm Oil Sdn Bhd.

1.4 Other certification held (ISO or other sustainability scheme)

The Bunga Group – Sayong Plantation Business Unit do not hold any third party certification.

1.5 Organizational information / contact person

The details of the contact person for Bunga Group is as shown below:

Name : Chiew Kah Choon
Position : Executive
Address : Karung Berkunci No. 101, 86700 Kahang, Kluang, Johor.
Phone no. : 012-7810175
Email : cartoon.chiew@gmail.com

1.6 Tonnage certified

Bunga Group – Sayong Plantation Business Unit

Estate	Actual FFB Production (January 2017- December 2017)		Actual FFB Production (January 2018- December 2018)		Projected FFB production for the reporting period (January 2019-December 2019)	
	Tonnes (mt)	Percentage (%)	Tonnes (mt)	Percentage (%)	Tonnes (mt)	Percentage (%)
Ladang Sungai Kahang	37077.11	74.58	34804.37	71.12	36049.80	72.00
Ecogreen Plantation Sdn Bhd	2890.20	5.81	2956.57	6.04	3359.80	7.00
See Heng Plantation Sdn Bhd	4234.68	8.52	4593.00	9.39	4701.30	10.00
Kalsen Enterprise Sdn Bhd	1658.29	3.34	2184.96	4.46	1809.70	4.00
Eastbay Venture Sdn Bhd	3856.05	7.75	4396.99	8.99	3411.60	7.00
Total	49716.33	100.00	48935.89	100.00	49332.20	100.00

2.0 Audit process

2.1 Audit methodology

The MSPO initial certification audit of Bunga Group consisted of Stage 1 and Stage 2 audit. Stage 1 conducted on 23 November 2018 and Stage 2 audit conducted on 28 until 31 January 2019 and 2 February 2019. The Stage 2 audit focused mainly on the conformance of the organization against the requirements of certification standard i.e. MS 2530-3:2013 General principles for oil palm plantations and organized smallholders. During stage 2 audit, the audit team has visited the field, linesite, workshop, chemical stores, waste collection areas and other surrounding facilities such as clinic, surau and canteen to verify the implementation of the MSPO MS2530-3. Interviews with the team management, employees, contractors and other relevant stakeholders. Apart from the above, records as well as other related documentation were also evaluated.

The formula for calculating sample size of the audit is explained in the risk classification determination as per Malaysian Sustainable Palm Oil (MSPO) Risk Management (Doc No: MPOB/MSPO/RMP/06 dated 19 Nov 2013) i.e $S=r/n$, which S is sample size, r is risk factor and n is number of estates. Three estates were sample i.e. Ecogreen plantation, See Heng Enterprise and Eastbay Venture.

It is important to note that the finding from this audit is based on samples taken from the organization activities, procedures, records and interview. Statistically, there is always a possibility that one or more issues/areas will

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remain unidentified during the course of this audit. The absence of non-compliance in any area or activity does not necessarily imply that no lapses or non-compliance exist.

2.2 Date of next surveillance visit

If the company is certified, the first surveillance audit will be conducted within 12 months from the decision date.

2.3 Qualification of audit team

Member of the Audit Team	Role/area of MSPO requirements	Qualifications
Mohd Ab Raouf Asis	Lead Auditor / GAP	Holds a B. Sc. in Manufacturing (Production and Operation). He had more than 7 years of working experience in the oil palm operation. He has experience in auditing since 2016. He was successfully attended Quality Management System (ISO 9001:2015) and OHS 18001:2007 lead assessor course in 2016.
Dzulfiqar bin Azmi	Auditor / Safety & Environment	Holds a B. Sc. in Agriculture from University Teknologi Malaysia (UiTM). He had more than 5 years of working experience in the oil palm operation. He has experience in auditing since 2018. He was successfully attended Integrated Management System lead assessor course in 2018.

2.4 Certification body

SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS), and the International Automotive Task Force (IATF). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International has obtained accreditation from Standards Malaysia for its MSPO certification scheme on 25 July 2017.

2.5 Stakeholder Consultation

Stakeholder consultation was initiated with the announcement in the SIRIM QAS Intl.'s web site on 1 December 2018. 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. Among the stakeholders consulted included the Department of Environment Johor, DOSH Department Johor, Fire Department, Malaysian Palm Oil Board (MPOB) Johor and Jabatan Kastam Diraja Malaysia, Johor. During the on-site audit, the audit team had also consulted contractors, workers' representative and field workers.

3.0 Summary of Audit Results

3.1 Non-conformity report (NCR) raised

Total no. of major NCR(s) : **8** Indicator: **4.3.1.1, 4.4.4.2 (b,e,j), 4.5.3.2, 4.5.3.3, 4.5.3.4, 4.4.2.4, 4.4.5.6, 4.4.5.12**

Total no. of minor NCR(s) : **6** Indicator: **4.4.6.1, 4.5.1.5, 4.5.6.3, 4.2.3.2, 4.6.1.1, 4.6.1.3**

3.2 Audit conclusion

The audit team concludes that the organization has established and implemented the requirements of the MS 2530-3:2013 General principles for oil palm plantations and organized smallholders, based on the results of this audit, therefore, the audit team recommends.

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- No NCR recorded. Recommended for certification.
- Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit.
- Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.
- Recommended for certification.
- Recommended to continue certification

Map of Sungai Kahang Estate

