



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

File Reference:  
ES22110001

**PUBLIC SUMMARY REPORT**  
**MALAYSIAN SUSTAINABLE PALM OIL (MSPO)**

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

Organization : Sungei Kahang Palm Oil Sdn. Bhd.

Address : Lot 402 Mukim Kahang, Batu 22, Jalan Mersing,  
Kahang, 86700 Kluang, Johor, Malaysia.

Audit date : 28<sup>th</sup> – 30<sup>th</sup> January 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 Crude Palm Oil and Palm Kernel

Lead auditor : Mohd Ab Raouf bin Asis

Auditor : Dzulfiqar bin Azmi

**Report by lead auditor**

Name : Mohd Ab Raouf bin Asis

Signature : 

**MALAYSIAN SUSTAINABLE PALM OIL (MSPO)  
STAGE 2 INITIAL CERTIFICATION AUDIT REPORT  
[INDIVIDUAL CERTIFICATION]**

**1.0 Introduction**

1.1 Description of the organization

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.

As todate, Sungei Kahang Palm Oil Sdn. Bhd. has received FFB from 40 FFB suppliers which consist of 5 estates from Bunga Group namely Sayong Plantation Sdn Bhd., Ecogreen Plantation Sdn Bhd., See Heng Enterprise Sdn Bhd, Kalsen Enterprise Sdn Bhd, Eastbay Venture Sdn Bhd, Value Greenworld Sdn Bhd and third party FFB such as Tay Loo Joo and Tay Chee King Annually, about 10% of FFB supplied from own group estate while 90% from third party FFB.

1.2 Location and hectarage statement

The GPS location of the estate administration office as follows:

Mill	GPS Location		
	Latitude	Longitude	Address
Sungai Kahang Palm Oil Sdn Bhd	4°67'40.41"E	100° 70' 42.49" 9N	Lot 402 Mukim Kahang, Batu 22, Jalan Mersing, Kahang, Kluang, Johor.

1.3 Description of supply base (fruit sources)

Sungei Kahang Palm Oil Sdn. Bhd. received FFB from their own estate i.e Sayong Plantation Sdn. Bhd., Ecogreen Plantation Sdn. Bhd., See Heng Enterprise Sdn. Bhd., Kalsen Enterprise Sdn. Bhd., Eastbay Venture Sdn. Bhd., Value Greenworld Sdn Bhd and third party FFB such as Tay Loo Joo and Tay Chee King

1.4 Other certification held (ISO or other sustainability scheme)

Sungei Kahang Palm Oil Sdn Bhd do not hold any third party certification.

1.5 Organizational information / contact person

The details of the contact person for Sungei Kahang Palm Oil Sdn Bhd 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

**Sungei Kahang Palm Oil Sdn. Bhd.**

**Actual FFB process by the Sungei Kahang POM for the last reporting period  
(January 2018 to December 2018)**

	Total (MT)
FFB Received	147,000.00
FFB Processed	147,000.00
CPO Production	30,100.00
PK Production	7,195.83

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**Estimated FFB process by the Sungei Kahang POM for the last reporting period  
(January 2018 to December 2018)**

	Total (MT)
FFB Received	122,000
FFB Processed	122,000
CPO Production	27,000
PK Production	6,500

**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 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.

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**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 30 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) : **3**                      Indicator: **4.3.1.1, 4.4.5.6, 4.4.5.12**

Total no. of minor NCR(s) : **5**                      Indicator: **4.3.1.2, 4.4.4.2, 4.2.2.3, 4.2.3.1, 4.2.3.2**

**3.2 Audit conclusion**

The audit team concludes that the organization has established and implemented the requirements of the MS 2530-4:2013, General principles for palm oil mills, based on the results of this audit, therefore, the audit team recommends.

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

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**Map of Sungei Kahang POM**

