

# MSPO2530-3:2013

## CERTIFICATION SUMMARY REPORT

INITIAL CERTIFICATION

SURVEILLANCE YEAR 01

SURVEILLANCE YEAR 02

SURVEILLANCE YEAR 03

SURVEILLANCE YEAR 04

RECERTIFICATION

## LIAN FONG ENTERPRISE [SKI/48/07]

### Main Office Address:

No 45, Jalan Masjid Lama, 96100 Sarikei Sarawak

### Site Address:

NCR Sungei Serayan, SARE 96100 Sarikei Sarawak

### Certification Body:

## KEBAL Resources Sdn Bhd



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**CERTIFICATION AUDIT SUMMARY REPORT****CERTIFIED ENTITY: INFORMATION**

Company Name:	LIANN FONG ENTERPRISE		
Main Address:	No 45, Jalan Masjid Lama, 96100 Sarikei Sarawak		
Site Address:	NCR Sungei Serayan, SARE 96100 Sarikei Sarawak		
Registration No:	[SKI/48/07]	Report Ref No:	KRMC20/11/23
MPOB License No:	5447 2100 2000	Expiry Date:	31 12 2024
Scope of Activity:	<input checked="" type="checkbox"/> Menjual	<input checked="" type="checkbox"/> Mengalih	<input type="checkbox"/> Mengilang
No of Estates:	1	No of Mill:	NA
Total Certified Area:	206.08	Mill Production Capacity:	NA
Total Planted Area:	125.46		
Type of Certification:	<input checked="" type="checkbox"/> Individual	<input type="checkbox"/> Group	
Audit Scope:	Provisions of Oil Palm Plantation including planting, harvesting and delivery of fresh fruit bunches (FFB) from 206.08 Hectares of certified area		
Audit Stage:	<input type="checkbox"/> Initial Certification	<input checked="" type="checkbox"/> Surveillance 04	<input type="checkbox"/> Recertification
Certificate No:	<b>KRMC201023</b> Issue 3		
Date of Issue:	15 10 2023	Date of Expiry:	14 10 2024
Standards:	<input type="checkbox"/> MS2530-2:2013 Part 2: General principles for independent Smallholders		
	<input checked="" type="checkbox"/> <b>MS2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholders</b>		

Report Updated on:

**MALAYSIAN SUSTAINABLE PALM OIL [MSPO CERTIFICATION]****AUDIT PROGRAMME**

Name of Client:	LIAN FONG ENTERPRISE		
Client ID No:	KRMC20		
Address:	No 45, Jalan Masjid Lama, 96100 Sarikei Sarawak		
Contact Person:	Mdm Ting Han Moi	Position:	Managing Director
Telephone No:	019-847 1323	Email:	lianfongenterprise88@yahoo.com
Date of Initial Certification:	15 10 2019		
Validity Period:	From: 15 10 2019	To:	14 10 2024

**1. SURVEILLANCE 4****Not more than 12 months after Surveillance 3**

Certification Stage:	Surveillance 4		
Plan Audit Date:	October, 2023	Actual Audit Date	02 11 – 03 11 2023
Proposed Area:	NCR Sungei Serayan , SARE 96100 Sarikei Sarawak		
Name of Estate:	LIAN FONG ENTERPRISE		

**2. RECERTIFICATION / REASSESSMENT****[Within] 4 Months before Certificate Expiry Date**

Certification Stage:	Recertification / Reassessment		
Plan Audit Date:	July, 2024	Actual Audit Date	00 00 0000
Proposed Area:	NCR Sungei Serayan , SARE 96100 Sarikei Sarawak		
Name of Estate:	LIAN FONG ENTERPRISE		

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**AUDIT INFORMATION**

<b>SURVEILLANCE AUDIT YEAR 04</b>		<b>No of Audit Man-days: 3 [three]</b>
<b>Date of Audit:</b>	<b>31 10 – 01 11 2023</b>	
<b>Audit Role:</b>	<b>Lead Auditor</b>	
<b>Name:</b>	<b>Maxwell S Landong</b>	
Qualifications:	<ul style="list-style-type: none"> <li>• Graduated with BSc (Hons) Resource Economics 1989) &amp; Master of Science in Human Resources Development (1998) (UPM)</li> <li>• Successfully completed the Lead Auditor Integrated Management System (IMS) ISO 9001, ISO 14001 &amp; ISO 45001 and passed the examination in conjunction with the course in 2020</li> <li>• Successfully completed the MSPO Lead Auditor Course and passed the examination in conjunction with the course in 2017</li> <li>• Attended the MPOB Training Course for Peer Reviewer on Oil Palm Management Certification in 2017</li> <li>• Successfully completed HRDF “Train the Trainer” training programme and passed all the assessment requirement in 2018</li> </ul>	
MSPO Auditing Experience:	<ul style="list-style-type: none"> <li>• Has clocked more than 100 man-days as Trainee Auditor, Auditor and Lead Auditor</li> <li>• Has performed as an Auditor auditing onsite (plantations and Mills)/remote audit at various stages (initial Certification – Stage 1 &amp; 2) and SVA 1, 2, 3 &amp; 4</li> <li>• Technical Reviewer for more than 20 Audit Certification Reports – Plantations and Palm Oil Mills)</li> <li>• Has more than 30 years of experience in Oil Palm Plantation Management environment.</li> <li>• Initiate, plan and implement briefing and training program for SALCRA and its’ Subsidiary companies’ staff in preparation towards MSPO Certification – SALCRA Estates and Palm Oil Mills</li> </ul>	
<b>Audit Role:</b>	<b>Auditor 1</b>	
<b>Name:</b>	<b>Duke Ladin Sebang</b>	
Qualifications:	<ul style="list-style-type: none"> <li>• Bachelor of Arts (Hons) in Management (OUM) (2017)</li> <li>• MSPO Audit Training Course, SGS (12 – 14/1/2019)</li> <li>• Integrated Quality, Environment, Occupational Health and Safety Management System Lead Auditor Training Program (2019)</li> </ul>	



	<ul style="list-style-type: none"> <li>Successfully completed the Lead Auditor Integrated Management System (IMS) ISO 9001, ISO 14001 &amp; ISO 45001 and passed the examination in conjunction with the course</li> </ul>
MSPO Auditing Experience:	<ul style="list-style-type: none"> <li>Has clocked more than 100 man-days as MSPO Trainee Auditor &amp; Auditor</li> </ul>

**REPORT REVIEW:**

<b>CERTIFICATION DECISION PANEL</b>		Dated: 12 11 2023
Name:	Wilfred S Landong	

<b>CERTIFICATE ISSUANCE</b>		Dated: 15 10 2023
By:	Executive Chairman	

**SUMMARY REPORT**

<b>1.</b>	<b>INTRODUCTION</b>
	This report presents the results of the Certification Assessment carried out by Kebal Resources Sdn Bhd as per below:
	Company Name: LIAN FONG ENTERPRISE
	Estate Name: LIAN FONG ENTERPRISE
	Location: NCR Sungei Serayan , SARE 96100 Sarikei Sarawak
	Audit Dates: 02 11 – 03 11 2023
	Purpose: The purpose was to assess the operations of NORMA SUMBER SDN BHD, SARIKEI against the requirements of the Malaysia Sustainable Palm Oil (MSPO) certification under the Standard MS2530-3:2013.
	<b>ORGANIZATIONAL BRIEF</b>
	This is Surveillance Year 04 Certification Audit and the Scope is Individual Certification of LIAN FONG ENTERPRISE, SARIKEI under the standards MSPO-3:2013 General Principles for Oil Palm Plantation and Organized smallholders.  LIAN FONG ENTERPRISE [LFE] main office is located No 45, Jalan Masjid Lama, 96100 Sarikei Sarawak, while the plantation site is located at NCR Sungei Serayan, SARE 96100 Sarikei Sarawak [Geo-coordinates N2 101290, E111.421290]. The estate is approximately 26km from Sarikei Town; accessible by land and tar-sealed road;. The plantation is established in April <b>2007</b> and currently the total Certified Area is 206.08 hectares while

total Planted Area is 125.46 hectares; with 20 planting blocks and 17,000 palm stand count. The land topography is flat and undulating (small portion) with soil type Peat soil.

The main activities of **LFE** are to produce, transport and sale of sustainable fresh fruit bunches [FFB].

At the site **LFE** currently employ 17 people (comprising five (5) staff and twelve (12) workers. The estate village comprise the Estate office, and worker's quarters. The staff commute from own home

The assessment method used in this audit follows the principle of three (3) Ps (paper, practice and people).

This certification assessment is a sampling process where management systems effectiveness and efficiency are confirmed via Audit Trail that the Auditor established to make an accurate conclusion. Information and data were systematically gathered and documented from interviews (with a cross section random sample of stakeholders), observations of process and activities, field audit and review of documentations and records. Assessments were done at the Plantation Office and field sites.

During the Audit, interviews were conducted with stakeholders comprising staff and workers to find out their understanding of MSPO principles, its' importance to sustainable growth and production of oil palm products.

Other notable findings during the audit are the following:

- a) There is a good working relationship between the management, staff and workers;
- b) Workers are provided with habitable housing & living conditions with adequate facilities and amenities. The accommodation, water supply and electricity are provided free of charge.
- c) Public telecommunication coverage is available in the area but the line is not very stable.
- d) Electricity is supplied by using solar energy (installation of solar panel) at the site office, stores and workers quarters.
- e) Staff and workers are remunerated above minimum Wage Order 2022.
- f) Other benefits include medical, annual bonus (when the estate make profit) and paid home leave for TKI. Medical treatment [for normal ailment] is provided free by LFE.
- g) There is no evidence that the estate is processing non-sustainable FFB

The Audit team has conducted a rigorous assessment of LFE through Field Audit Checklist, Audit Report Checklist, documents review and Stakeholder's Consultation (interview with staff and workers). It is evidenced that LFE has complied and conformed to MSPO2530-3:2013 Certification Standards, conditions and requirements.

<b>1.1.</b>	<b>LOCATION MAP OF THE PRODUCTION UNIT [NORMA SUMBER SDN BHD, SARIKEI]</b> <b>[Location, Plantation Areas, Division/Sub-Division]</b>	
	<b>Geo-coordinates: N2.101290, E111.421290</b>	
	Google Location Map [Estate Office]	Google Location Map [Estate Location]



<b>1.2.</b>	<b>AUDIT OBJECTIVES</b>
	<ul style="list-style-type: none"> <li>a. To confirm that the management system conforms with all the requirements of the MSPO standard.</li> <li>b. To confirm that the organization has effectively implemented the planned MSPO management system.</li> <li>c. To confirm that the management system is capable of achieving the organization's policy objectives.</li> </ul>

<b>1.3.</b>	<b>AUDIT CRITERIA</b>
	The criteria of this audit were based on the MPOCC scheme requirements and Standards:
	<input type="checkbox"/> MS2530-2 <input checked="" type="checkbox"/> MS2530-3 <input type="checkbox"/> MS2530-4

TABLE 1:	ESTATE INFORMATION	
ESTATE	LOCATION ADDRESS	GEO-COORDINATES [GPS]
<b>LIAN FONG ENTERPRISE</b>	NCR Sungei Serayan, SARE 96100 Sarikei Sarawak	<b>N2.101290, E111.421290</b>





TABLE 2:	SUPPLY BASE AREA STATEMENT [HA]			
Estate	Certified Area [HA]	Planted Area [HA]	Conservation/HCV [HA]	Others [HA]
<b>LIAN FONG ENTERPRISE</b>	206.08	125.46	Not Applicable [NA]	Nil

TABLE 3:	PRODUCTION VOLUME (MT)			
Year	2022	2023		
Projection (MT)	3,600.00	3,600.00		
Actual Volume (MT)	3,437.00	2,617.00	2023 – As at 30 09 2023	
Yield per Ha [MT]	27.40	21.00	2023 – As at 30 09 2023	

2.	SCOPE OF CERTIFICATION
	The scope of this assessment is the following operations of LIAN FONG ENTERPRISE in NCR Sungei Serayan , SARE 96100 Sarikei Sarawak
	<b>SCOPE</b>
	Provisions of Oil Palm Plantation activities including [planting, harvesting, spraying, upkeep, maintenance and delivery of fresh fruit bunches (FFB)] from <b>206.08</b> Hectares of certified area.
	<b>PROPOSED AMENDED SCOPE [if applicable]</b>
	No change.

3.	EXISTING CERTIFICATION [if applicable]
	This is <b>Transferred Certification</b> . Previous Certification Body is UNICERT Sdn Bhd. Norma Sumber Sdn Bhd had been MSPO Certified under MSPO2530:2013 Part 3 since 01 10 2019. Transfer of Certification is conducted according to KRSB-QP M18 Procedure [Transfer of Accredited Certification of Management Systems] Kebal Resources Sdn Bhd was appointed as Certification Body to conduct Surveillance Audit Year 04.
	Current Certification ( <i>Please tick the certification under the Standards below if any</i> )
	<input type="checkbox"/> ISO 9001 <input type="checkbox"/> EMS 14001 <input type="checkbox"/> ISO 45001 <input type="checkbox"/> ISO 22001 <input type="checkbox"/> HACCP <input type="checkbox"/> RSPO <input type="checkbox"/> ISCC <input type="checkbox"/> OTHERS:

4.	AUDIT METHOD AND PROGRAMME
	The Surveillance Audit Year 04 was conducted in 3 [three] audit man-days days and involving 1 [one] estate of LIAN FONG ENTERPRISE, SARIKEI. The audit covers documentation review for internal policies, procedures, management system, site management, field inspections as well as identification of any significant issues for



both environment or social issues and also the peer reviewer process as per ACB-OPMC-3; stakeholders' consultation was also conducted.

The audit evidence obtained was based on a sample of the information observed and made available during the Audits; thereby introducing an element of uncertainty. The methodology for objective evidence collection included physical site inspections, observation of tasks and processes, interview with workers, families and stakeholders, documentation review and monitoring data.

Data collected are compiled and reported vide Audit Report Checklist & Field Audit Checklist.

#### **SITE SAMPLING (for group certification, outsourcing)**

Not applicable as this is a single site

Sampling Methodology and Risk Determination

Not applicable

**Single Site** LIAN FONG ENTERPRISE, SARIKEI

## **5. ASSESSMENT FINDINGS**

5.1.

**Surveillance Audit 04**

**02 11 – 03 11 2023**

The specific processes, activities and functions reviewed are detailed in the **Surveillance Audit Plan (Appendix A)**.

- a. Details of collected evidence and audit trail of this audit are presented in the separate MSPO checklist (**Appendix B – Surveillance Audit Report Checklist & Appendix C Audit Finding Report**). As outlined, objective evidence was obtained separately for each of the MSPO requirements (Indicators)
- b. The results for each indicator from each of the operational areas were evaluated to provide an assessment of conformity. A statement is provided for each of the indicators in order to support the findings of the assessment team.

There are five (5) Findings (OFI) in this Surveillance Audit 04

#### **Audit Findings**

There are five (5) findings (OFI) during this Audit

No	Principle	Type of Finding	Criterion	Indicator	Findings
1	4	OFI	4.	4.4.4.2 (i)	



			Employee Safety and Health		Currently, there is on one certified 1 <sup>st</sup> Aider. It is advisable that the management send one (1) more employee to undergo 1 <sup>st</sup> Aider training
2	4	OFI	5. Employment Condition	4.4.5.11	The fire extinguisher at the worker's quarters has expired on 14 <sup>th</sup> September 2023. The fire extinguisher should be renewed
3	5	OFI	6. Status of rare, threatened, or endangered species and high biodiversity value area	4.4.6.1	The signage is not sighted during field audit on 02 11 2023. During on-site visit, the Manager reported that the signages has been vandalised
4	5	OFI	Zero burning practices	4.5.7.1	Trace of waste due to burning activity sighted at the housing compound. Workers need to be reminded to stop burning any waste.
5	6	OFI	Site Management	4.6.1.3	The information on the block marking is found to be inadequate

**SURVEILLANCE AUDIT YEAR 04: SUMMARY OF FINDINGS by Principles & Requirements MS2530-3:2013**

Principles	Requirements	Compliance	
		Yes	No
<b>1</b>	<b>Management commitment &amp; responsibilities</b>		
1.1	Malaysian Sustainable Palm Oil (MSPO) Policy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1.2	Internal audit	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1.3	Management review	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1.4	Continual Improvement	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>2</b>	<b>Transparency</b>		
2.1	Transparency of information and documents relevant to MSPO requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.2	Transparent method of communication and consultation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.3	Traceability	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>3</b>	<b>Compliance to legal requirements</b>		
3.1	Regulatory requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3.2	Land use rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3.3	Customary land rights	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>4</b>	<b>Social responsibility, health, safety and employment condition</b>		
4.1	Social Impact Assessment (SIA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>



4.2	Complaints and grievances	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.3	Commitment to contribute to local sustainable development	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.4	Employees safety and health <b>Indicator 4.4.4.2 (i) OFI</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.5	Employment conditions <b>Indicator 4.4.5.11 OFI</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.6	Training and competency	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>5</b>	<b>Environment, natural resources, biodiversity and ecosystem services</b>		
5.1	Environmental management plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.2	Efficiency of energy use and use of renewable energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.3	Waste management and disposal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.4	Reduction of pollution and emission	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.5	Natural water resources	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.6	Status of rare, threatened, or endangered species and high biodiversity value area <b>Indicator 4.4.6.1 OFI</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5.7	Zero burning practices <b>Indicator 4.5.7.1 OFI</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>6</b>	<b>Best Practices</b>		
6.1	Site Management <b>Indicator 4.6.1.3 OFI</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6.2	Economic and financial viability plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6.3	Transparent and fair price dealing	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6.4	Contractor	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Based on the audit, it was apparent that:

The internal audit program has been fully implemented and demonstrates effectiveness as a tool for maintaining and improving the management system

√

The management review process is adequate and effective.

√

The organization has met its objectives and targets and monitored progress towards their achievement.

√

The management system documentation confirms with the requirements of the MSPO audit standard.

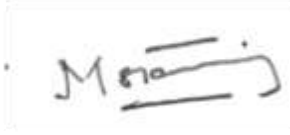
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## 6. PREVIOUS AUDIT FINDINGS [if applicable]

Previous Audit Findings for Surveillance Audit Year 03 had been closed out by previous Certification Body.

## 7. STAKEHOLDERS CONSULTATION REPORT

**NOT APPLICABLE IN THIS SURVEILLANCE AUDIT 04**

8.	<b>AUDIT SUMMARY AND RECOMMENDATION</b>	
	<p>The audit team concludes that the organization <b>fulfil</b> the requirements of the <b>MS 2530-3:2013</b> standard and demonstrated the ability of the system to systematically achieve agreed requirements for products or services within the scope and the organization's policy and objectives.</p> <p>It is to be noted that site management of the Estate is well managed and generally well conformed and complied with requirements of the MSPO Standards.</p> <p>The audit team recommends that, MSPO Certification be: <b>MAINTAINED &amp; GRANTED</b>, to <b>LIAN FONG ENTERPRISE</b></p>	
	<p>Maxwell S Landong Lead Auditor</p>	

9.	<b>CERTIFICATION DECISION PANEL</b>	
	<p>The Audit Package Review was done and completed on 12 11 2023</p> <p>Based on the review made above, CDP supports the certification of <b>LIAN FONG ENTERPRISE</b> under Malaysian Sustainable Palm Oil <b>[MSPO] MS 2530-3:2013</b> be <b>GRANTED</b>.</p>	

10.	<b>MSPO CERTIFICATE ISSUANCE</b>	
	<p>MSPO Certificate No <b>KRMC201023</b> for <b>LIAN FONG ENTERPRISE</b> under Malaysian Sustainable Palm Oil <b>[MSPO] MS 2530-3:2013</b>, <b>Issue 3</b> will be issued on <b>01 10 2023</b> with validity period from <b>15 10 2019 to 14 10 2024</b>.</p>	

**-END OF REPORT-**