

**PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)**

5A, Jalan Anggerik Eria AU 31/AU  
 Kota Kemuning, 40460 Shah Alam  
 Selangor, D. E. Malaysia  
[www.pci.com.my](http://www.pci.com.my) / +603-5525 8359

**MSPO Audit Summary**

Company Name:	Sungai Kerang Development Sdn Bhd
Address:	5km, Jalan Gelong Pepuyu, 32600 Bota, Perak
Reference No.:	100045
Standard(s):	MS 2530-4:2013
MPOB licence no: (for group certification, list all licences no. in the group)	500267504000
MPOB licence scope of activity:	<b>1. Menjual &amp; mengalih PK, CPO, SPO</b> <b>2. Membeli dan mengalih FFB, PK, CPO</b> <b>3. Menyimpan PK, CPO, SPO</b> <b>4. Mengilang FFB</b>
MPOB Licence expiry date:	Contact PCI for detail
Audit Type:	<input checked="" type="checkbox"/> Stage 2 Audit <input type="checkbox"/> Surveillance Audit <input type="checkbox"/> Re-certification Audit
Audit scope:	Palm oil milling.
Sites sampled: (for group certification only)	n/a

**GPS Coordinate:** N 4° 24' 16.459" E 100° 50' 8.757"

**Map showing approximate location of certified entity:**



Audit date:	28/12/2018 to 28/12/2018
Total number of man-day(s):	3.0 man-day(s)
(for MSPO Part 2 & Part 3)	<input checked="" type="checkbox"/> Not applicable
Planted Area:	ha.

**PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)**

5A, Jalan Anggerik Eria AU 31/AU  
 Kota Kemuning, 40460 Shah Alam  
 Selangor, D. E. Malaysia  
[www.pci.com.my](http://www.pci.com.my) / +603-5525 8359)



(for MSPO Part 2 & Part 3) Estimated tonnage of annual FFB produced:	<input checked="" type="checkbox"/> Not applicable mt.
(for MSPO Part 4) Estimated processing capacity: Estimated certified palm oil (CSPO): Estimated certified palm kernel (CSPK):	<input type="checkbox"/> Not applicable <b>120.0</b> mt. FFB/hour <b>20.0</b> mt./hour <b>5.0</b> mt./hour
(N/A for Stage 2 & Re-certification assessment) Date of certificate issued and validity	<input checked="" type="checkbox"/> Not applicable <b>dd/mm/yyyy to dd/mm/yyyy</b>
Please state if the organization certified for other sustainability scheme(s)?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, _____

**Executive Summary**

<p>The organization was established on 04-Aug-1983 as Sungai Kerang Orchard Sdn Bhd and later changed its name to Sungai Kerang Development Sdn Bhd on 16-Dec-1983. The organization commenced its palm oil milling activities on 08-Aug-2018.</p> <p>The palm oil mill sources its Fresh Fruit Bunches (FFB) from plantation and small holders. The oil mill has installed a Biogas Plant in 2009. Biogas generated from anaerobic digestion of POME is used for co-firing the steam boilers for power generation. The organization was expanding the biogas facility to generate 2MW of electricity for its feed-in tariff to TNB. The organization had a Dry Long Fibre Plant and also installed a 375 TPD Solvent Extraction Plant based on mesocarp fibre.</p> <p>SKD-Manual (MSPO Management Manual, Rev 0 dated 15-Jul-2018) was established according to the MS 2530-4:2013 MSPO Part 4 by the Director of Ngan &amp; Ngan Holdings Sdn Bhd for its Group of Companies. The Director has appointed General Manager to be responsible for the maintenance and distribution of the manual.</p> <p>This assessment was single site certification as a palm oil mill. Stage 1 audit was performed on 24/11/2018 and total of 7 findings were highlighted during audit on documentation review and site walkabout. All areas of concern were satisfactorily closed by the time of stage 2 audit.</p> <p>Stage 2 audit was conducted on 28 Dec 2018 and improvement was sighted since last visit. However, there was total of 1 Nonconformity been detected which was relevant to wastes management plan (Principle 5). Details could be referred to NCR 1 to 1 and MSPO Part 4 Audit Checklist.</p>
--

**Listing of strength / strong point identified:**

No	Strength Statement
1.	Stakeholders consultation were conducted with involvement of Local Communities – Wakil Masjid, Neighbour company (Biomass, Farm, Poultry, Pejabat Penghulu Mukim Bota) and Authority (Health Department, Polis, Bomba, TNB, Lembaga Air, Town Council, MPOB).

**Listing of improvement potential / opportunities for improvement (OFI)**

**PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)**

5A, Jalan Anggerik Eria AU 31/AU  
 Kota Kemuning, 40460 Shah Alam  
 Selangor, D. E. Malaysia  
[www.pci.com.my](http://www.pci.com.my) / +603-5525 8359



No	OFI Statement
1.	<i>The organization was in progress to follow up with POMA, MPOB &amp; MPOCC for clarification of agricultural land title issue. Further enhancement on closely consultation with authority parties and retaining the communication evidences if any should be considered for better monitoring purpose.</i>
2.	<i>Periodic safety &amp; health committee meeting was performed and recorded. It would be worth to extend the minutes of meeting with more detail elaboration of incident investigation &amp; workplace inspection results and status of follow up actions if any for continual improvement.</i>
3.	<i>To consider Authorities (DOE or JKPP or MPOB Monthly Report) request information as the information and documents relevant to MSPO requirements to be shared to the interested parties as part of transparency practice.</i>
4.	<i>Monitoring on require actions from the stakeholder consultation can be tracked and recorded the status to ensure the action is taken and closed.</i>
5.	<i>To improve the hygiene of living quarter at surrounding for any animal dropping and animal moving around at kitchen area.</i>
6.	<i>To define the due date and person in charges for the actions identified during industrial relation committee meeting to ease the monitoring of the implementation status.</i>
7.	<i>Consider to improve housekeeping on the floor of the lubricant store to prevent spillage from becoming a trip and fall hazard to personnel.</i>
8.	<i>Consider to manage system of domestic waste disposal by monitoring &amp; marking pit locations and implement waste segregation.</i>
9.	<i>Two gas cylinders free standing unsecured near a work-in-progress. And the hoses to a cutting nozzle caught in a pinch between a locked steel door and the store cabinet. Consider to improve housekeeping and safe storage of such equipment in the work place.</i>

**Listing of nonconformity (NCR)**

No	Clause	NCR Statement	NCR status
1.	4.5.3.2	<p><i>The MS 2530-4:2013 clause 4.5.3.2 states °A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measures for:</i></p> <p><i>a) Identifying and monitoring sources of waste and pollution;</i></p> <p><i>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</i></p> <p><i>During the audit, it was observed that recycle materials (scrap metal and plastic buckets) were disposed together in the open pit. There was no indication when this pit was excavated nor the locations of other pits marked.</i></p>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Close

**Stakeholder consultation summary**

Any issues raised by the stakeholder(s) towards the company?	<input type="checkbox"/> Yes, issue: _____ <input checked="" type="checkbox"/> No.
Remarks:	

**PRIMA CERT INTERNATIONAL SDN BHD (1107878-A)**

5A, Jalan Anggerik Eria AU 31/AU  
 Kota Kemuning, 40460 Shah Alam  
 Selangor, D. E. Malaysia  
 ([www.pci.com.my](http://www.pci.com.my) / +603-5525 8359)



**Stakeholder consultation was performed during audit and 3 different parties including FFB supplier / dealer & transport contractor, representative from town council and authority (Police & Bomba) were interviewed. Based on the outputs from interview, they were satisfied with the relationship and positive interaction with the organization. Based on interview with relevant stakeholders, they are satisfied with the relationship and positive interaction with SKD.**

**Certification recommendation**

In reference to **MS 2530-4:2013**, the audit team recommends for:

<input type="checkbox"/>	Issuance of the certificate.
<input checked="" type="checkbox"/>	Issuance of the certificate as soon as implementation of corrective action(s) has been demonstrated.
<input type="checkbox"/>	Maintenance of the certificate.
<input type="checkbox"/>	Maintenance of the certificate as soon as implementation of corrective action has been demonstrated.
<input type="checkbox"/>	Not applicable, due to extraordinary type of report.

Tentative next audit date:	<b>12/2019</b>
----------------------------	----------------

<b>Company Representative</b>	
Designation:	<input checked="" type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Other, please specify:
Name:	Theng Choon Liong
Position:	Mill Manager
Tel:	05-376 5541
Email:	<a href="mailto:skdev5541@gmail.com">skdev5541@gmail.com</a>
<b>PCI Audit Team Leader</b>	
Name:	Dominic Retan Giah
Area of expertise	Forestry, plantation management, health & safety, EIA expert
Tel:	+603-5525 8359
Email:	<a href="mailto:info@pci.com.my">info@pci.com.my</a>
<b>PCI Audit Team Member 1</b>	
Name:	Tee Kee Hu
Position:	<input type="checkbox"/> Co-Auditor <input type="checkbox"/> Auditor-in-Training <input type="checkbox"/> Technical Expert <input type="checkbox"/> Observer <input checked="" type="checkbox"/> Other, please specify: Lead Auditor-in-Training
Area of expertise <small>(N/A if observer &amp; other)</small>	Environmental, health & safety, HIRARC
<b>PCI Audit Team Member 2</b>	
Name:	Lim Aik Loong
Position:	<input checked="" type="checkbox"/> Co-Auditor <input type="checkbox"/> Auditor-in-Training <input type="checkbox"/> Technical Expert <input type="checkbox"/> Observer <input type="checkbox"/> Other, please specify:
Area of expertise <small>(N/A if observer &amp; other)</small>	Social economic, quality management, business management