

TRANS CERTIFICATION & INSPECTION SDN. BHD.



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**MSPO SUPPLY CHAIN CERTIFICATIONS**

**RECERTIFICATION - Audit Report**

Report Number: 026-2024-SCCS-01

Document Number: TCI-P05-F4-SCCS

Version No: 04

Effective Date: 28.06.2023

# MSPO SUPPLY CHAIN CERTIFICATIONS AUDIT REPORT RECERTIFICATION ASSESSMENT (2024)

**FGV PALM INDUSTRIES SDN BHD  
(KILANG SAWIT SERTING)  
KILANG SAWIT SERTING, 72100 BANDAR SERI  
JEMPOL, NEGERI SEMBILAN**

**026-2024-FGV PALM INDUSTRIES - KILANG  
SAWIT SERTING**

Audit date:	17 OCTOBER 2024	
Report prepared by:	<b>MOHD RIZAL BIN MD KASSIM</b>	(Lead Assessor)
Report prepared on:	18 OCTOBER 2024	
Certification decision by:	<b>ATIKA BINTI BAKAR</b>	(Certifier)
Certification decision on:	27 JANUARY 2025	

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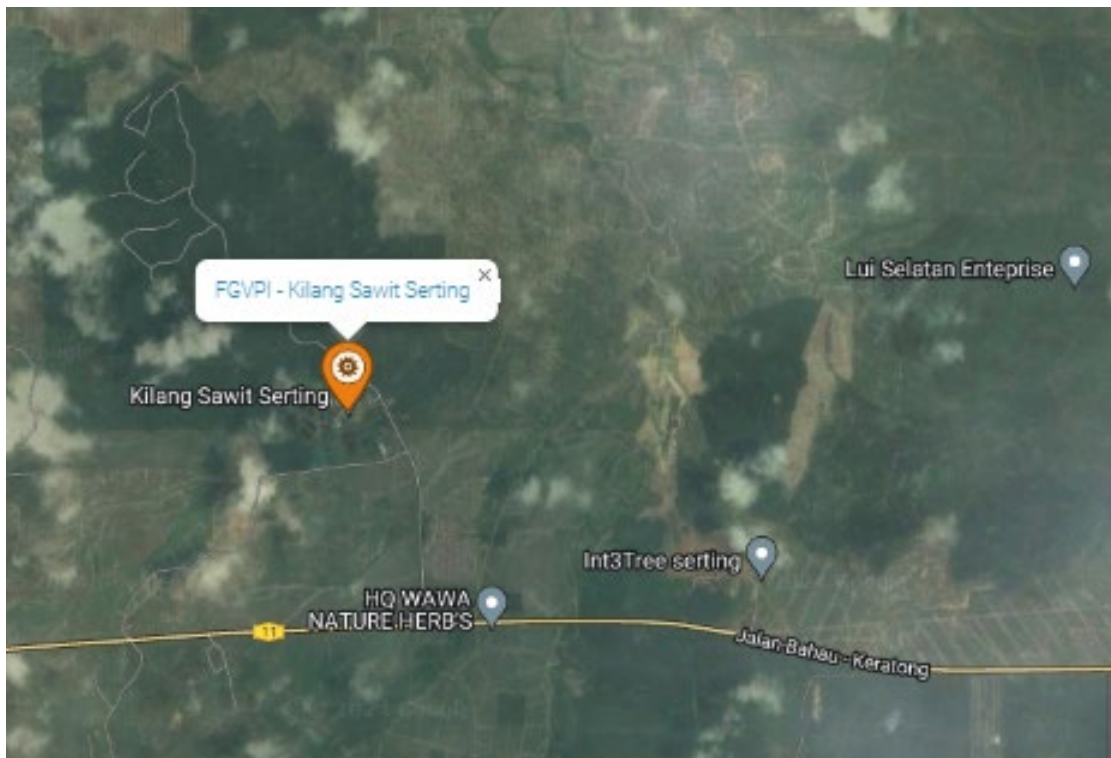
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**PART 1: CERTIFIED COMPANY DETAILS**

1.1 Company Details	
Name of Company:	FGV PALM INDUSTRIES SDN BHD - KILANG SAWIT SERTING
Main Address :	FGV Palm Industries Sdn Bhd, Wisma FGV, Jalan Raja Laut, 50350, Kuala Lumpur.
Management’s Representative Details	
Name:	Mr. Mohd Shazwan Sharif
Email Address:	<a href="mailto:shazwan.s@fgvholdings.com">shazwan.s@fgvholdings.com</a>
MPOB License Details	
MPOB License’s No.:	500158004000
Expiry Date:	31.03.2025
Date of Certificate Issued and Validity:	27.03.2025 - 26.03.2030
Scope of Audit:	Production Of MSPO Crude Palm Oil and Palm Kernel By Using Mass Balance Model
Supply Chain Model:	Mass Balance (Continuous Accounting System)
Type of Facilities:	Palm Oil Mill
Product(s) included in Certification:	Crude Palm Oil and Palm Kernel
Other Sustainability Certifications:	RSPO

1.2 Certified Unit Details		
Name of Certified Unit:	FGV PALM INDUSTRIES SDN. BHD. (KILANG SAWIT SERTING)	
Address of Certified Unit:	Kilang Sawit Serting, 72100 Bandar Seri Jempol, Negeri Sembilan	
Processing Capacity:	54 MT/H	
GPS Coordinate:	Longitude: E 102° 26' 44.0016"	Latude: N 2° 54' 1.0008"

**Map Showing the Location of Certified Unit**



### 1.3 Facilities included in the Scope of the Audit

Changes since previous audit: Yes ☐ No ☒

**Outsourced companies included in the scope of the audit.**

☐ Yes. Please list down in the below table.

☒ N/A. (if no outsourcing activity)

Name of company	Location address	Type of Outsourced Activity	Visited
N/A	N/A	N/A	<input type="checkbox"/>

### 1.4 Audit Program

List out the planning of the audit cycle for 5-years certification

Audit Type	Year	Executed Audit date
Main Assessment	2020	12.02.2020
ASA1	2021	19.01.2021
ASA2	2022	24.03.2022
ASA3	2023	15.05.2023
ASA4	2024	29.02.2024
<b>Re-assessment</b>	<b>2024</b>	<b>17.10.2024</b>

## PART 2: SUMMARY OF THE REPORT AND SCOPE OF THE AUDIT

### 2.1 MSPO SCCS Summary Report

Summary report of the audit including a brief description of the scope of certification and supply chain model(s) used

The processing of Fresh Fruit Bunches (FFB) into Crude Palm Oil (CPO) and Palm Kernel (PK) is carried out at the mill, which has a processing capacity of 54 metric tons per hour. The CPO and PK produced are exclusively sold to the local market. The mill's layout plan shows four CPO storage tanks and two for PK. Storage capacities include three CPO tanks with a capacity of 1800 metric tons each (one in use, two as reserves), and one reserve tank with a 500-metric-ton capacity. PK storage comprises two tanks, holding 230 and 550 metric tons, both of which are currently in use. No external storage facilities are employed.

The management team maintains an up-to-date list of FFB suppliers and buyers of CPO and PK. It has been confirmed that the MSPO logo is not used by the mill for any purpose. Deliveries of CPO to customers are facilitated by FGV Transport Sdn Bhd. The complaint records are well-organized, with no issues reported concerning product quality over the past year. All documentation related to MSPO SCCS is retained for at least three years, following the mill's record-keeping policy.

The traceability procedure, along with the MSPO Trace system, is effectively implemented by mill management. Each FFB delivery is accompanied by a delivery note and grading chit before processing, with details captured on the weighbridge ticket. The MSPO Trace system reflects the mill's identification of certified and non-certified FFB suppliers and potential buyers of CPO and PK. The mass balance system is upheld via the Integrated Palm Mill (IPM) system, which records daily production and transactions in the Mill Daily Figure. Currently, there are no certified MSPO product transactions on record.

No non-conformities were identified during this recertification audit. The MSPO SCCS system is fully operational, with monthly declarations being made through the MSPO Trace system.

## PART 3: MSPO CERTIFIED PRODUCTS / MASS BALANCE SAMPLE

### 3.1 MSPO SCCS Certified Volumes

Confirmation of the company's summary of annual certified volume of MSPO certified Palm Oil Products or Palm Derivatives over a specified period (not applicable for the first certification)

**Month Sampled: ( Jul 2024– Sep 2024)**

#### Purchased

Month	Supplier	Product	Volume (Mt)
Jul-Sep 2024	FGVPM Palong 17	FFB	11,681.78
Jul-Sep 2024	FGVPM Palong 21	FFB	7,154.15
Jul-Sep 2024	FGVPM Seriting Hilir 9	FFB	493.52

#### Sold

Month	Buyer	Product	Volume (Mt)
Jul-Sep 2024	N/A	N/A	N/A
Jul-Sep 2024	N/A	N/A	N/A
Jul-Sep 2024	N/A	N/A	N/A

## **PART 4: BACKGROUND TO THE REPORT**

### **4.1 MSPO Supply Chain Standard**

**MSPO Supply Chain Certification Standard, (MSPO SCCS-01) 2018**

### **4.2 Certification Body**

**TRANS CERTIFICATION & INSPECTION SDN. BHD.**

### **4.3 The Lead Auditor**

<b>Name</b>	<b>Qualifications</b>
MOHD RIZAL BIN MD KASSIM	Graduated in Forestry with 5 years working experience in manufacturing and forestry. Involved in RSPO auditing since July 2012. Fully trained in similar agriculture certification programmes such as RSPO SCCS, ISCC, INS. Member of GGC audit team. Involved in audits conducted in Malaysia, Indonesia and Ghana. Completed ISO 9001:2008 lead auditor course in January 2013. Qualified as Lead Auditor/Auditor in several certification programme such as RSPO, ISCC, MSPO and etc. Able to speak and understand Bahasa Malaysia and English.

### **4.4 The Certification Decision Management Team**

<b>Name</b>	<b>Qualifications</b>
ATIKA BINTI BAKAR	Graduate qualification in Bachelor of Forestry Science Majoring in Forest Plantation and Agroforestry at University Malaysia Sabah. Attended TRANS internal trainings ISO/IEC 17065, ISO/IEC 17021, MS2530:2013, OCB OPMC 1-4 and In-House Training Lead Auditor ISO 9001. Involved in Forest Management Unit and MSPO since 2019. Able to communicate in Bahasa Malaysia and English.

#### 4.5 Summary of previous certification assessments and conclusion, with recommendations or non-conformances

(Not applicable for main assessment reports)

Processing of Fresh Fruit Bunch (FFB) into Crude Palm Oil (CPO) and Palm Kernel (PK) is conducted at the mill, with a processing capacity of 54 metric tons per hour. The production of CPO and PK is solely for local export. The mill layout plan reveals four storage tanks for CPO and two for PK. Storage capacities include three CPO tanks at 1800 metric tons each (one in use and two reserves), one at 500 metric tons (reserve), and PK storage capacities at 230 and 550 metric tons, both in use. No external storage facilities are involved.

Management maintains a well-maintained list of FFB suppliers and buyers of CPO and PK. It's confirmed that the mill does not utilize the MSPO logo for any purposes. Deliveries of CPO to buyers are managed by FGV Transport Sdn Bhd. The record of complaints is well maintained, with no complaints related to product quality reported for the previous year. All documents related to MSPO SCCS are kept for a minimum of 3 years as per the record-keeping policy.

The traceability procedure and MSPO Trace system are implemented effectively by the mill's management. Incoming FFB is accompanied by a delivery note and grading chit before entering the mill, with details provided on the weighbridge ticket. The MSPO Trace system indicates the mill's declaration of certified and non-certified FFB suppliers, along with potential buyers of CPO and PK. The mass balance is maintained through the Mill Performance Report (MPR) system, recording daily transactions and production figures in the Mill Daily Figure. Currently, there have been no transactions involving the delivery of certified MSPO products.

No non-conformities were raised during the surveillance audit. The MSPO SCCS system is operational, with monthly declarations submitted through the MSPO Trace system.



4.6 Audit Agenda		
Proposed Assessment Agenda for this Audit		
Prepared by	MOHD RIZAL BIN MD KASSIM [MRK]	
Approved by	PUTRI HANI NABILAH BT MEGAT ABD AZIZ [PHN]	
Time	Activity	Auditor
09.30-10.30	Opening Meeting	MRK
10.30-11.30	<b>Document Review – MSPO SCCS</b> <b>1 Requirements for Supply Chain Management</b> 1.1 Sustainability Policy 1.2 Management Representative 1.3 Record Keeping 1.4 Procedures 1.5 Internal Audit 1.6 Management Review	MRK
11.30-12.00	<b>2. Resource Management</b> 2.1 Competency and Training	MRK
12.00-12.30	<b>3. Traceability</b>	MRK
12.30-14.00	Lunch Break	MRK
14.00-15.30	<b>4. Supply Chain Models</b> 4.1 Segregation 4.1.1 General 4.1.2 Requirements 4.2 Mass balance 4.2.1 General 4.2.2 Requirements 4.2.3 Continuous accounting system <b>5. Outsourced Activities</b> <b>6. Claim</b> <b>7. Complaints and Grievances</b> <b>8. IT Platform</b>	MRK
15.30-16.00	Verify outstanding issue if applicable	MRK
16.00-17.00	Closing Meeting	MRK

## **PART 5: CLOSING MEETING**

The purpose of the closing meeting is to allow the audit team to present their findings to the client, to agree dates for the completion of any corrective action required, and to establish any subsequent follow up action. The meeting is chaired by the audit team leader and wherever possible involve the same people who were present at the opening meeting.

Date of closing meeting:	17.10.024
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### **5.1 Actions that a need to be completed prior before certification can proceed**

- a) If any non-compliance was noted, then a certification decision is not possible until the client has taken steps to close out the non-compliances noted in the certification checklist.
- b) If full compliance was noted during the audit, the next step is for the checklist and audit report and any associated documentation, to be sent to the TRANS MSPO SCCS Certifier, by the lead auditor. The certifier will review the documents and may refer back to either the lead auditor or to the client for further information or clarification.
- c) Once the certifier is satisfied, a positive certification will be made, and a certificate is awarded and sent to the client. The MSPO SCCS Certificate is also publish within 14 days of the issuing of the certificate.

### **5.2 Confidentiality**

TRANS auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication. The Audit Report and Awarded Certificate is a remains Confidential between Client and TRANS, and the ownership is belonging to TRANS.

## PART 6: CONCLUSIONS OF THE AUDIT DETAILS

### 6.1 Summary of Non-Compliance (if applicable)

NC Number:	NA
Date:	NA
Reference to standard:	NA
Standard requirement:	NA
Evidence of non-compliance:	NA
Corrective action (to be filled by client)	NA
Evidence of compliance: (to be filled in by certifier)	NA
Status (closed if applicable)	NA

### 6.2 Certification Status of Client

Please select the applicable box, do not remove the others:

☒ Main Evaluation: All facilities included in the scope of this audit demonstrated full compliance with the MSPO SCCS.

With effect from the certification date given below, this company and all facilities mentioned in the scope of this report are considered to be certified in accordance with the MSPO SCCS.

☐ Main Evaluation: Full compliance of all facilities in the scope of this audit with the MSPO SCCS is not yet demonstrated. Identified Non-conformities need to be closed prior to certification.

☐ Surveillance audit: All facilities included in the scope of this audit demonstrated full compliance with the MSPO SCCS. The certified status is maintained.

☐ Surveillance audit: Not all facilities included in the scope of this audit demonstrated continued compliance with the MSPO SCCS. Outstanding NC's need to be closed within 3 months from the audit date.

### 6.3 Certificate Details and Scope

Client number:	026-2024-SCCS-FGV Palm Industries – Kilang Sawit Serting
Certificate number:	<b>MSPO SCCS-TCI-026-2024-01</b>
Start date of certificate:	27.03.2025
End date of certificate:	26.03.2030
Date of first certification:	27.03.2020
Duration of certificate:	5 Years from date of certification

**PART 7: FORMAL SIGN OFF OF AUDIT FINDINGS**

**7.1 Signing by the Client**

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in document (MSPO SCCS Report and Checklist).

I also confirm:

- Acceptance of liability in execution of the instructions given in the document and at the closing meeting.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Trans Certification & Inspection's Certifications.
- That this company was informed that until they receive written confirmation of their MSPO Supply Chain certification registration and its expiry date that they are not certified and cannot make any claims concerning certification.
- That the formal record of the closing meeting is accurate and that all agenda items were covered by the lead auditor.
- I understand the implications of non-compliance as laid out above.

**Acknowledged by:**

Name:	MUHAMAD SHAFIQ ARIFFIN BIN MUHD ARIFF
Position:	SUSTAINABILITY MANAGER
Date:	05 NOVEMBER 2024



**Signature**

## 7.2 Signing by the Lead Auditor

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Based on the findings during the assessment, I recommended the certification unit is:

Complies ☒

Not Complies ☐

With the MSPO SCCS, I the undersigned, being the Lead Auditor, recommend that:

Granting Certificate ☐

Continue Certification ☐

Suspend Certificate ☐

Withdraw Certificate ☐

Re-certificate ☒

For **FGV PALM INDUSTRIES SDN BHD - KILANG SAWIT SERTING**

### Acknowledged by:

Name: MOHD RIZAL BIN MD KASSIM

Position: LEAD AUDITOR

Date: 20 JANUARY 2025



**Signature**

### 7.3 Signing by the Certifier

I, the undersigned Certifier, hereby confirm that I have conducted review as below:

- ☒ the information provided by the audit team is sufficient with respect to certification requirements and the scope for certification
- ☐ The correction, corrective action plan, and evidence for any major non-conformities has been reviewed, and accepted. The effectiveness of implementation shall be reviewed in the next year audit.
- ☐ The correction and corrective action plan, for any minor non-conformities has been reviewed and accepted.
- ☒ Audit Report has been sufficiently prepared by the audit team
- ☐ Audit team has commented on the non-conformities, where applicable, the correction and corrective actions taken by client.
- ☐ Audit team had performed evaluation for effectiveness of corrective action plan for pervious audit findings
- ☒ Has performed confirmation of the information provided to TRANS in the Application Form
- ☒ Has performed confirmation that the audit objectives have been achieved
- ☒ Has reviewed the result of recertification audit, the result of the review of system over the period of certification and complaints received from users of certification (*applicable for granting recertification only*).

**Based on all the above confirmation, I the undersign Certifier recommended:**

- ☐ Granting Certificate
- ☐ Maintaining Certificate
- ☒ Re-certify
- ☐ Suspend Certificate

For **FGV PALM INDUSTRIES SDN BHD - KILANG SAWIT SERTING** certification unit.

**For Certification Suspension Action (Only applicable for suspended client)**

Suspension date: \_\_\_\_\_

Reason for suspension: \_\_\_\_\_

Date of uplift suspension: \_\_\_\_\_

Reason for uplift suspension: \_\_\_\_\_

Recommendation after suspension:

- ☐ Maintaining Certificate
- ☐ Re-certify

For \_\_\_\_\_ (Client's name) \_\_\_\_\_ certification unit.

#### Acknowledged by:

Name: ATIKA BINTI BAKAR

Position: CERTIFIER

Date: 27 JANUARY 2025



Signature