

TRANS CERTIFICATION & INSPECTION SDN. BHD.



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**MSPO SUPPLY CHAIN CERTIFICATIONS**

**RECERTIFICATION - Audit Report**

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**MSPO SUPPLY CHAIN CERTIFICATIONS  
AUDIT REPORT  
RECERTIFICATION ASSESSMENT (2024)  
FGV PALM INDUSTRIES SDN BHD  
(KILANG SAWIT SERTING HILIR)  
KILANG SAWIT SERTING HILIR, PETI SURAT NO. 3,  
72120 BANDAR BARU SERTING, NEGERI SEMBILAN  
025-2024-SCCS-FGV PALM INDUSTRIES –  
KILANG SAWIT SERTING HILIR**

Audit date:	17 OCTOBER 2024	
Report prepared by:	MOHD JOHARI BIN MD KASSIM	(Lead Assessor)
Report prepared on:	17 OCTOBER 2024	
Certification decision by:	ATIKA BINTI BAKAR	(Certifier)
Certification decision on:	27 JANUARY 2025	

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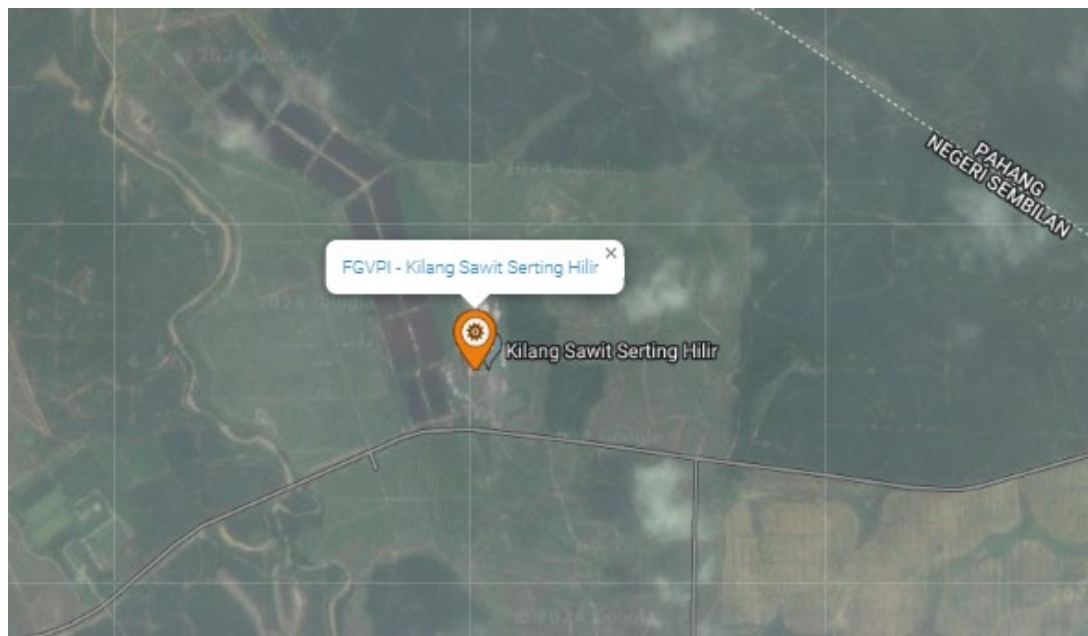
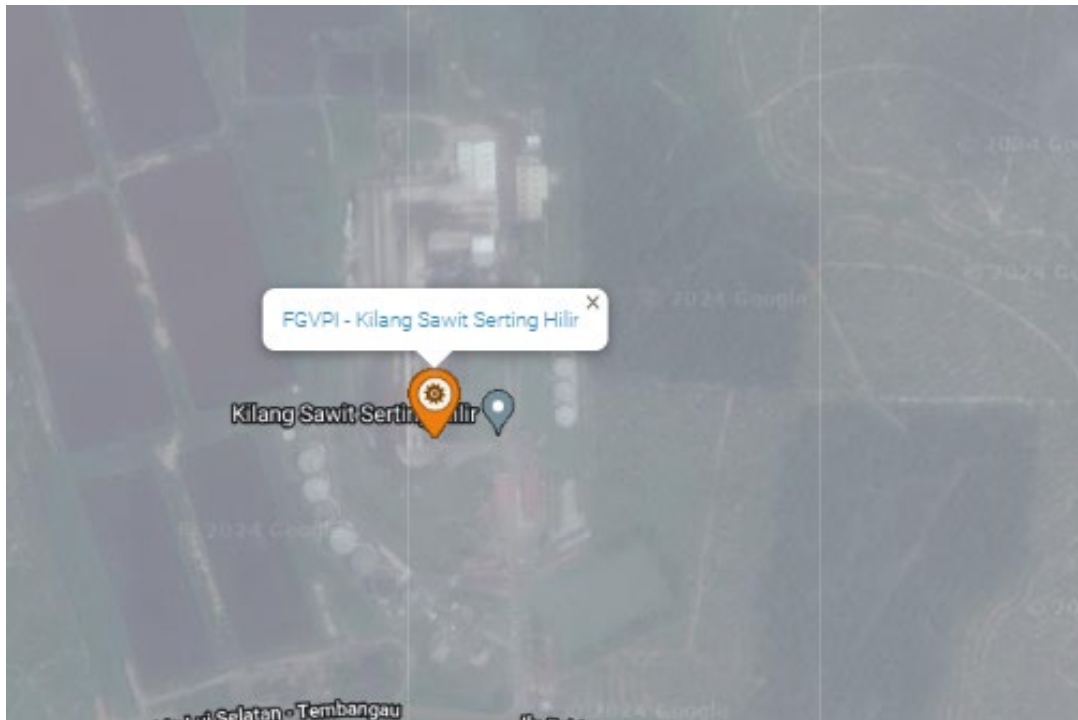
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**PART 1: CERTIFIED COMPANY DETAILS**

1.1 Company Details	
Name of Company:	FGV PALM INDUSTRIES – KILANG SAWIT SERTING HILIR
Main Address :	Level 20 Wisma FGV Jalan Raja Laut 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.:	500159804000
Expiry Date:	31.03.2025
Date of Certificate Issued and Validity:	27.03.2025 – 26.03.2030
Scope of Audit:	Production Of MSPO Certified Crude Palm Oil And Palm Kernel By Using Mass Balance Model
Supply Chain Model:	Mass Balance (Continuous Accounting System)
Type of Facilities:	Oil Palm Mill
Product(s) included in Certification:	Crude Palm Oil and Palm Kernel
Other Sustainability Certifications:	MSPO OPMC PART 4

1.2 Certified Unit Details		
Name of Certified Unit:	FGV PALM INDUSTRIES SDN. BHD. – KILANG SAWIT SERTING HILIR	
Address of Certified Unit:	Kilang Sawit Serting Hilir, Peti Surat No. 3, 72120 Bandar Baru Serting, Negeri Sembilan	
Processing Capacity:	54 MT/H	
GPS Coordinate:	Longitude: E 102° 28' 41.0016"	Latitude: N 2° 59' 25.0008"

**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
NA	NA	NA	<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	13.02.2020
ASA1	2021	21.01.2021
ASA2	2022	25.03.2022
ASA3	2023	16.05.2023
ASA4	2024	29.02.2024
Re-assessment	2024	17.10.2024

**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 mill processes Fresh Fruit Bunches (FFB) into Crude Palm Oil (CPO) and Palm Kernel (PK) with a processing capacity of 54 MT per hour. The production is exclusively for local export. According to the mill layout plan, three CPO storage tanks and two PK storage units were identified. The CPO storage capacity includes two tanks of 1,800 MT each (one in use and one as a reserve) and one 500 MT tank (reserve). The PK storage capacity consists of two units, one with 150 MT and 1000 MT. No external storage is involved. The management maintains a well-organized list of FFB suppliers and buyers of CPO and PK. As confirmed during the audit, the mill is not using the MSPO logo for any purpose.

Deliveries of CPO to buyers are handled by FGV Transport Sdn Bhd. Verified by management, the MSPO logo is not used on or off-product. The complaint records are well-maintained, and no complaints related to product quality were reported in the previous year. The mill follows a policy that requires all MSPO SCCS-related documents to be kept for a minimum of three years, verified through last year's procedures, management documents, and supplier records. The traceability procedure and the MSPO Trace system are available and well implemented. Incoming FFB is accompanied by a delivery note and grading chit before entry to the mill, and the weighbridge ticket contains all the required details.

Through the MSPO Trace system, it was verified that the mill declared both certified and non-certified BTS suppliers. However, the mill have declared all FFB as non-certified under MSPO at the time of purchase.

The Mass Balance records are maintained using the Integrated Palm Mills System (IPMS), covering transactions from January 2024 to the audit date. Daily transactions and production of CPO and PK are recorded in the Mill Daily Figure. The mass balance system follows a continuous accounting approach. It was verified that no certified MSPO product delivery transactions were conducted during the previous audit year.

In this recertification audit, no non-conformities were raised. The MSPO SCCS system is functioning effectively, and monthly declarations are submitted via MSPO Trace. As there were no significant issues identified during the audit, the Lead Auditor is satisfied and recommends the recertification of the MSPO SCCS certification.

**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– Sep 2024)**

**Purchased**

<b>Month</b>	<b>Supplier</b>	<b>Product</b>	<b>Volume (Mt)</b>
Jul 2024	N/A	N/A	N/A
Aug 2024	N/A	N/A	N/A
Sep 2024	N/A	N/A	N/A

**Sold**

<b>Month</b>	<b>Supplier</b>	<b>Product</b>	<b>Volume (Mt)</b>
Jul 2024	N/A	N/A	N/A
Aug 2024	N/A	N/A	N/A
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**

Name	Qualifications
MOHD JOHARI BIN MD KASSIM	Graduated qualification in Biology with 12 years working experience in palm oil and sales industry. Involved in MSPO auditing since Oct 2017. Fully trained in similar agri-culture certification programmes such as RSPO SCCS, ISCC, INS. Member of TCI audit team since 2017. Involved in audits conducted in Malaysia, Completed ISO 9001:2015 lead auditor course in January 2016

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

Name	Qualifications
ATIKA BINTI BAKAR	Graduate qualification in Bachelor of Forestry Science Majoring in Forest Plantation and Agroforestry at University Malaysia Sabah (UMS). Attended TRANS internal trainings Lead Auditor ISO 9001 Course, ISO/IEC 17065, ISO/IEC 17021, MS2530:2013, and OCB OPMC 1-4. Attended Lead Auditor MS2530:2022 Course (MAA Training & Consultancy). Successfully passed International Organics Standard USDA/NOP, EU and JAS Awareness and Implementation Training (Global Sustainable Solution (Thailand) Co., LTD.). Experience 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 into CPO and PK with mill's processing capacity of 54 mt per hour. The production of CPO and PK is only for local export. Through mill layout plan, there are four storages for CPO were sighted and two storage for PK. Storage capacity for CPO tanks are 1800 mt each (one in use and three reserve) and PK storage capacity is 150 mt and 1000 mt both in use. There is no external storage involved. The list of FFB suppliers and buyers of CPO and PK was well-maintained by the management. As verified during the audit with management, the mill is not using the MSPO logo for any purposes.

The deliveries of Crude Palm Oil to buyers are handled by FGV Transport Sdn Bhd. Verified from the management, there is no used of MSPO logo either on-product or off-product. The record of complaints is well maintained. However, there is no complaint related to the product's quality for the previous year. The record-keeping period stated all the documents related to MSPO SCCS should be kept for a minimum of 3 years. The verification is done through last year's procedure, management documents, and supplier documents. The procedure of traceability and MSPO Trace is available and well implemented by the mill's management. The incoming FFB was provided together with a delivery note and grading chit before being allowed to enter the mill. The weighbridge ticket is provided with the details information required has been stated.

Verified from the MSPO Trace system, the mill has declared their certified and non-certified FFB's supplier together with their potential buyers of CPO and PK. The supply of certified FFB is coming from FGVPM Group only and other than FGVPM Group is declared as non-certified.

The incoming FFB's transaction provided together with delivery note and grading chit before allowed to enter to mill. The weighbridge ticket is provided with details information required and available in the transaction documentation.

The Mass Balance record is maintained by the computer system called Mill Performance Report (MPR Report) from period of January 2023 until July 2023 and continue with IPMS (Integrated Palm Mills System) from August 2023 until the audit day. The incoming transaction and production of CPO and PK are recorded daily in Mill Daily Figure. The mass balance is using a continuous accounting system. Verified that there is no transaction of delivery of certified MSPO product yet for the previous audit year.

From this surveillance audit, there is no non-conformity raised. The system of MSPO SCCS is in place. The monthly declaration is submitted every month in MSPO Trace. Since there are NO SIGNIFICANT issues to raise up as regards to the audit findings, thus Lead Auditor has satisfied and recommend the MSPO SCCS certification to be continued.

4.6 Audit Agenda		
Proposed Assessment Agenda for this Audit		
Prepared by	MOHD JOHARI BIN MD KASSIM [MJK]	
Approved by	PUTRI HANI NABILAH BT MEGAT ABD AZIZ [PHN]	
Time	Activity	Auditor
09.30-10.30	Opening Meeting	MJK
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	MJK
11.30-12.00	<b>2. Resource Management</b> 2.1 Competency and Training	MJK
12.00-12.30	<b>3. Traceability</b>	MJK
12.30-14.00	Lunch Break	
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>	MJK
15.30-16.00	Verify outstanding issue if applicable	MJK
16.00-17.00	Closing Meeting	MJK

## 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:	17.10.2024
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### 5.1 Actions that a need to be completed prior before certification can proceed

- 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.
- 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.
- 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:	025-2024-SCCS-FGV Palm Industries – Kilang Sawit Serting Hilir
Certificate number:	<b>MSPO SCCS-TCI-025-2024-01</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:	09 DECEMBER 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 – KILANG SAWIT SERTING HILIR** Certification Unit

### Acknowledged by:

Name: MOHD JOHARI 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 – KILANG SAWIT SERTING HILIR** 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