

TRANS CERTIFICATION & INSPECTION SDN. BHD.



**Contacts**

09-5751333 / 0139108724

**Address**

B30, Level 1, Jalan IM 2/5, Bandar Indera Mahkota, 25200 Kuantan, Pahang

**MSPO SUPPLY CHAIN CERTIFICATIONS**

**RECERTIFICATION - Audit Report**

Report Number: 030-2024-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 KERTEH),  
KILANG SAWIT KERTEH, NO. 3, 23309 KETENGAH JAYA,  
DUNGUN, TERENGGANU**

**030-2024-SCCS – FGV PALM INDUSTRIES –  
KILANG SAWIT KERTEH**

Audit date:	20 OCTOBER 2024	
Report prepared by:	<b>MOHD RIZAL BIN MD KASSIM</b>	(Lead Assessor)
Report prepared on:	21 OCTOBER 2024	
Certification decision by:	<b>ATIKA BIN BAKAR</b>	(Certifier)
Certification decision on:	27 JANUARY 2025	

## TABLE OF CONTENT

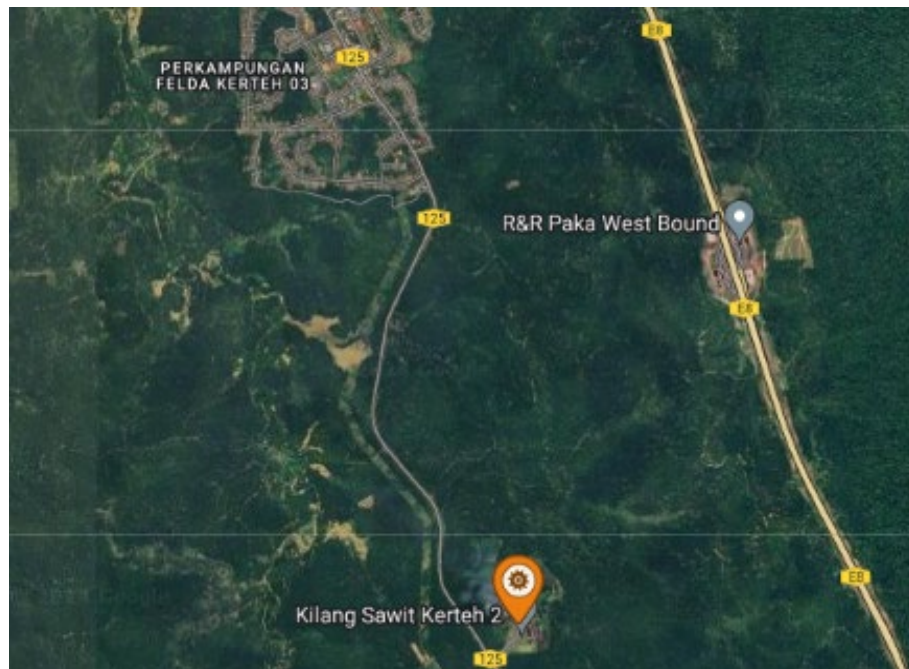
TITLE		PAGE
<b>PART 1: CERTIFIED COMPANY DETAILS</b>		
1.1	Company Unit Details	3
1.2	Certified Unit Details	3
1.3	Facilities included in the Scope of the Audit	5
1.4	Audit Program	5
<b>PART 2: SUMMARY OF THE REPORT AND SCOPE OF THE AUDIT</b>		
2.1	MSPO SCCS Summary Report	6
<b>PART 3: MSPO CERTIFIED PRODUCTS / MASS BALANCE SAMPLE</b>		
3.1	MSPO SCCS Certified Volumes	7
<b>PART 4: BACKGROUND TO THE REPORT</b>		
4.1	MSPO Supply Chain Standard	8
4.2	Certification Body	8
4.3	The Lead Auditor	8
4.4	The Certification Decision Management Team	8
4.5	Summary of previous certification assessments and conclusion	9
4.6	Audit Agenda	10
<b>PART 5: CLOSING MEETING</b>		
5.1	Actions that a need to be completed prior before certification can proceed	11
5.2	Confidentiality	11
<b>PART 6: CONCLUSIONS OF THE AUDIT &amp; CERTIFICATE DETAILS</b>		
6.1	Summary of Non-Compliance	12
6.2	Certification status of client	12
6.3	Certificate Details and Scope	12
<b>PART 7: FORMAL SIGN OFF OF AUDIT FINDINGS</b>		
7.1	Signing by the Client	13
7.2	Signing by the Lead Auditor	14
7.3	Signing by the Certifier	15

**PART 1: CERTIFIED COMPANY DETAILS**

1.1 Company Details	
Name of Company:	FGV PALM INDUSTRIES SDN BHD - KILANG SAWIT KERTEH
Main Address :	FGV Palm Industries Sdn Bhd, Level 20 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.:	500178404000
Expiry Date:	31.03.2025
Date of Certificate Issued and Validity:	27.03.2025 – 26.03.2030
Scope of Audit:	Production of 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:	MSPO OPMC Part 4

1.2 Certified Unit Details		
Name of Certified Unit:	FGV PALM INDUSTRIES SDN. BHD. - KILANG SAWIT KERTEH	
Address of Certified Unit:	No. 3, 23309 Ketengah Jaya, Dungun Terengganu	
Processing Capacity:	54 MT/H	
GPS Coordinate:	Latitude: N 4°15'42.408''	Longitude: E 103°19'55.236''

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	15.02.2020
ASA1	2021	20.01.2021
ASA2	2022	16.03.2022
ASA3	2023	17.05.2023
ASA4	2024	14.03.2024
Re-assessment	2024	20.10.2024

**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 processing of Fresh Fruit Bunches (FFB) into Sustainable Crude Palm Oil (CPO) and Palm Kernel (PK) is carried out at a mill with a processing capacity of 54 metric tons per hour, with production aimed solely at the local market. During site inspections, three CPO storage units and one PK storage bunker were observed. The storage capacity for CPO totals 4,100 metric tons, and for PK, 400 metric tons. No external storage is utilized. Management ensures that the list of FFB suppliers and buyers of CPO and PK is diligently maintained. It was verified during the audit that the mill does not use the MSPO logo for any purposes.

The management implemented a Standard Operating Procedure (SOP) for the MSPO SCCS procedure at FGVPI KS Kerteh, effective since January 7, 2021. Mr. Shamsul Adly Samsuddin, along with other committee members, has been appointed to oversee compliance with MSPO SCCS requirements.

According to the MSPO Trace system, the mill has declared both certified and non-certified FFB suppliers, along with potential buyers of CPO and PK. No certified sustainable product deliveries have taken place in 2024 so far. The incoming FFB is sourced from nearby plantations, including FGVPM Ladang Semaring 01, FGVAS Ladang Kerteh, FELDA Kerteh 01, and FELDA Kerteh 02.

The mass balance record is maintained by the weighbridge clerk using the Integrated Palm Mill System (IPMS), which logs daily transactions for incoming FFB and CPO/PK production. The mill uses a Continuous Accounting System to manage mass balance.

In accordance with record-keeping policies, all MSPO SCCS-related documents must be retained for a minimum of three years. Verification is carried out by reviewing last year's procedures, management documents, and supplier records. Traceability procedures are effectively implemented, requiring each FFB delivery to be accompanied by a delivery note and grading chit before entering the mill. Weighbridge tickets provide the necessary detailed information.

No non-conformities were identified during this audit. The MSPO SCCS system is effectively in place, though no certified product transactions have occurred yet. Monthly declarations continue to be submitted via 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 – Sep 2024)**

**Purchased**

<b>Month</b>	<b>Supplier</b>	<b>Product</b>	<b>Volume (Mt)</b>
Jul-Sep	FELDA Kerteh 01	FFB	816.24
Jul-Sep	FELDA Kerteh 04	FFB	1,776.80
Jul-Sep	FGVPM Semaring 01	FFB	2,337.75

**Sold**

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

Name	Qualifications
ATIKA BINTI BAKAR	Graduate qualification in Bachelor of Forestry Science Majoring in Forest Plantation and Agroforestry at University Malaysia Sabah. Attended TCI internal trainings ISO/IEC 17065, ISO/IEC 17021, MS2530:2013, and OCB OPMC 1-4. Experience in Forest Management Unit 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 Sustainable CPO and PK with mill's processing capacity of 50 mt per hour. The production of CPO and PK is only for local export. Through site inspection, 3 storages for CPO were sighted and 1 store 1 bunker for PK. Storage capacity for CPO is 4,100 mt and PK is 400 mt. There was no external storage involved. The list of FFB supplier and buyer of CPO and PK was well maintained by the management. Verified during the audit with management, the mill is not using MSPO logo for any purposes.

The management has developed SOP of MSPO SCCS procedure for FGVPI KS Kerteh, effective on 07<sup>th</sup> January 2021. The management has appointed Mrs. Bibi Roihan Binti Abdull Rahman as responsible person to monitor MSPO SCCS requirement.

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. There is no transaction of delivery certified sustainable product yet for previous audit year. The incoming sustainable FFB is coming from external outsources (eg: FGVPM Ladang Semaring 01, FGVPM Ladang Rantau Abang 01, FGVAS Ladang Kerteh, FELDA Kerteh 01 and FELDA Kerteh 02) and the non-certified FFB is coming from external suppliers.

The Mass Balance record is maintained by the weighbridge clerk and IPMS System (Integrated Palm Mill System). The incoming transaction and production of CPO and PK is recorded daily in the IPMS System. The mass balance is using Continuous Accounting System.

The record keeping period stated all the document related to MSPO SCCS should be kept for minimum 3 years. The verification is done through the last year procedure, management documents and supplier documents. The procedure of traceability is implemented by the mill. The incoming FFB provided together with delivery note and grading chit before allowed to enter to mill. The weighbridge ticket is provided with details information required has been stated.

From the surveillance audit, there is no non-conformity raised. The system of MSPO SCCS is in place. There is no transaction of certified product yet. The monthly declaration is submitted every month in MSPO Trace.

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
09.30-10.00	Opening Meeting	MRK
10.00-11.30	<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	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:	20 October 2024
--------------------------	-----------------

### 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:	N/A
Date:	N/A
Reference to standard:	N/A
Standard requirement:	N/A
Evidence of non-compliance:	N/A
Corrective action (to be filled by client)	N/A
Evidence of compliance: (to be filled in by certifier)	N/A
Status (closed if applicable)	N/A

### 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:	030-2024-SCCS-FGV PALM INDUSTRIES – KILANG SAWIT KERTEH
Certificate number:	<b>MSPO SCCS-TCI-030-2024-01</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 International'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- KILANG SAWIT KERTEH** Certification Unit

#### Acknowledged by:

Name: MOHD RIZAL BIN MD KASSIM

Position: LEAD AUDITOR

Date: 20 JANUARY



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 KERTEH** 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