

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 LEPAR UTARA 6)
KILANG SAWIT LEPAR UTARA 6, PETI SURAT 12,
26400 BANDAR JENGKA, PAHANG**

**037-2024-SCCS-FGV PALM INDUSTRIES –
KILANG SAWIT LEPAR UTARA 6**

Audit date:	24 OCTOBER 2024	
Report prepared by:	MOHD JOHARI BIN MD KASSIM	(Lead Assessor)
Report prepared on:	24 OCTOBER 2024	
Certification decision by:	ATIKA BINTI BAKAR	(Certifier)
Certification decision on:	27 JANUARY 2025	

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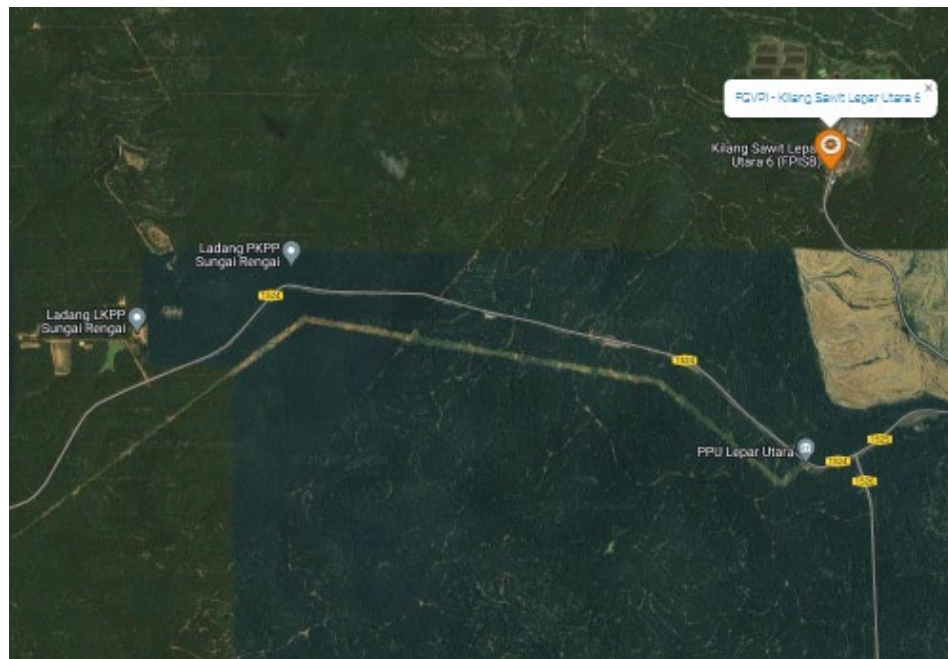
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PART 1: CERTIFIED COMPANY DETAILS

1.1 Company Details	
Name of Company:	FGV PALM INDUSTRIES SDN BHD - KILANG SAWIT LEPAR UTARA 6
Main Address :	FGV Palm Industries Sdn Bhd, Wisma FGV, Jalan Raja Laut, 50350, Kuala Lumpur.
Management’s Representative Details	
Name:	Mr. Shazwan Sharif
Email Address:	shazwan.s@fgvholdings.com
MPOB License Details	
MPOB License’s No.:	500203904000
Expiry Date:	31.03.2025
Date of Certificate Issued and Validity:	27.03.2025 – 26.03.2030
Scope of Audit:	Production of MSPO SCCS Certified Crude Palm Oil and Palm Kernel by using Mass Balance Model
Supply Chain Model:	Mass Balance Model (Continuous Accounting System)
Type of Facilities:	Oil Palm Mill
Product(s) included in Certification:	Crude Palm Oil and Palm Kernel
Other Sustainability Certifications:	RSPO SCCS, MSPO Part 4

1.2 Certified Unit Details		
Name of Certified Unit:	FGV PALM INDUSTRIES SDN. BHD. (KILANG SAWIT LEPAR UTARA 6)	
Address of Certified Unit:	Kilang Sawit Lepar Utara 6, 26400 Bandar Jengka, Pahang	
Processing Capacity:	54 MT/H	
GPS Coordinate:	Longitude: E 102°41'30''	Latitude: N 3°58'15''

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	10.02.2020
ASA1	2021	18.01.2021
ASA2	2022	21.03.2022
ASA3	2023	08.05.2023
ASA4	2024	11.03.2024
Re-assessment	2024	24.10.2024

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 one 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 at 500 MT. The PK storage capacity consists of one unit, one with 140 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

<i>Month</i>	<i>Supplier</i>	<i>Product</i>	<i>Volume (Mt)</i>
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

<i>Month</i>	<i>Buyer</i>	<i>Product</i>	<i>Volume (Mt)</i>
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 with a qualification in Biology with 12 years of working experience in the palm oil and sales industry. Involved in MSPO auditing since Oct 2017. Fully trained in similar Agri-culture certification programs such as RSPO SCCS, ISCC, and 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)

The mill processes Fresh Fruit Bunch into CPO and PK with a capacity of 54 MT per hour, solely for local export. The mill layout includes three storage tanks for CPO, with capacities of 1800 MT each and one at 500 MT, and one storage tank for PK with a capacity of 140 MT. No external storage is utilized. The management maintains a comprehensive list of FFB suppliers and buyers for CPO and PK. During the audit, it was confirmed that the mill does not use the MSPO logo for any purpose.

Deliveries of Crude Palm Oil to buyers are handled by FGV Transport Sdn Bhd, and no MSPO logo is used on or off the product. Complaint records are well-maintained, although there were no quality-related complaints in the previous year. All MSPO SCCS-related documents are retained for a minimum of 3 years, as per the record-keeping policy.

The mill implements traceability procedures effectively, with FFB accompanied by delivery notes and grading chits upon arrival. Verified through the MSPO Trace system, the mill accurately declares certified and non-certified FFB suppliers and potential buyers. Mass Balance records are managed via the Mill Performance Report (MPR Report), utilizing a continuous accounting system.

Despite no certified MSPO product transactions in the previous audit year, the mill receives sustainable FFB from internal suppliers like FGVPM Lepar Utara 08 and FGVPM Lepar Utara 07, while non-certified FFB is sourced externally.

No non-conformities were identified during the surveillance audit, confirming the effective implementation of the MSPO SCCS system. Monthly declarations are consistently submitted through the MSPO Trace system.

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	Document Review – MSPO SCCS 1 Requirements for Supply Chain Management 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	2. Resource Management 2.1 Competency and Training	MJK
12.00-12.30	3. Traceability	MJK
12.30-14.00	Lunch Break	MJK
14.00-15.30	4. Supply Chain Models 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 5. Outsourced Activities 6. Claim 7. Complaints and Grievances 8. IT Platform	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:	24.10.2024
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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:	037-2024-SCCS-FGV Palm Industries – Kilang Sawit Lepar Utara 6
Certificate number:	MSPO SCCS-TCI-037-2024-01
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 LEPAR UTARA 6**

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 **KILANG SAWIT LEPAR UTARA 6** 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