

MSPO SUPPLY CHAIN CERTIFICATIONS AUDIT REPORT RECERTIFICATION ASSESSMENT (2024)

FGV PALM INDUSTRIES SDN. BHD.
(KILANG SAWIT BUKIT SAGU)
LOT PT. 1129, 25700 KUANTAN, PAHANG
038-2024-SCCS-FGV PALM INDUSTRIES –
KILANG SAWIT BUKIT SAGU

Audit date:	28 OCTOBER 2024	
Report prepared by:	MOHD RIZAL BIN MD KASSIM	(Lead Assessor)
Report prepared on:	3 FEBRUARY 2025	
Certification decision by:	ATIKA BINTI BAKAR	(Certifier)
Certification decision on:	18 FEBRUARY 2025	

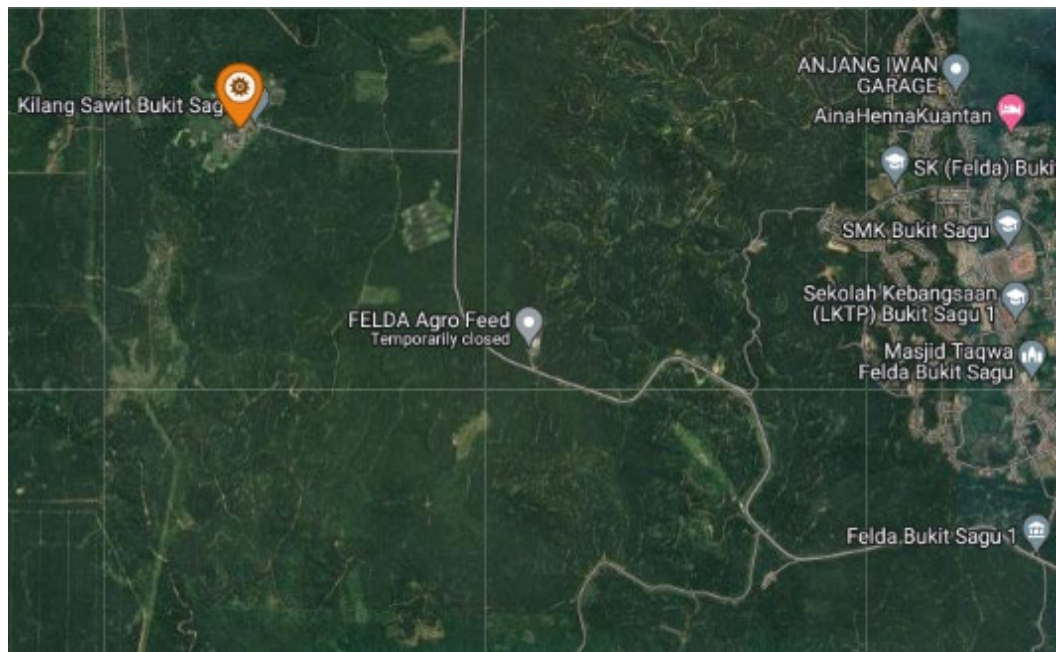
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PART 1: CERTIFIED COMPANY DETAILS

1.1 Company Details	
Name of Company:	FGV PALM INDUSTRIES SDN BHD - KILANG SAWIT BUKIT SAGU
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:	shazwan.s@fgvholding.com
MPOB License Details	
MPOB License’s No.:	500202104000
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 (Continuous Accounting System)
Supply Chain Model:	Mass Balance
Type of Facilities:	Palm Oil 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 BUKIT SAGU	
Address of Certified Unit:	Kilang Sawit Bukit Sagu, 25700 Kuantan, Pahang	
Processing Capacity:	54 MT/Hr	
GPS Coordinate:	Longitude: E 103°8'51''	Latitude: N 3°58'1''

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	20.02.2020
ASA1	2021	18.01.2021
ASA2	2022	14.03.2022
ASA3	2023	08.05.2023
ASA4	2024	13.03.2024
Re-assessment	2024	28.10.2024

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

Processing of Fresh Fruit Bunch into Sustainable CPO and PK occurs at a rate of 54 mt per hour at the mill. During site inspection, four CPO storage facilities and one PK storage facility were observed, with capacities of 5900 mt and 700 mt, respectively. No external storage is utilized. The management meticulously maintains a list of FFB suppliers and buyers of CPO and PK. It was confirmed during the audit that the mill does not utilize the MSPO logo for any purposes.

The management has devised an SOP for MSPO SCCS procedure for FGVPI KKS Bukit Sagu, effective January 7, 2023. Mr. Masnawi bin Abd Jabar has been appointed as the responsible person to monitor MSPO SCCS requirements.

According to records from the MSPO Trace system, the mill has declared its certified and non-certified FFB suppliers along with potential buyers of CPO and PK. However, there have been no transactions involving the delivery of certified sustainable products in the previous audit year.

Mass Balance records are meticulously maintained by the weighbridge clerk and MPR/IPM System, with daily transactions and production of CPO and PK recorded in the MPR/IPM System. The mass balance operates on a Continuous Accounting System.

All documents related to MSPO SCCS are required to be retained for a minimum of three years, and verification is conducted through previous year procedures, management documents, and supplier documents. Traceability procedures are strictly implemented by the mill, with incoming FFB accompanied by delivery notes and grading chits. Weighbridge tickets provide detailed information as required.

No non-conformities were identified during the surveillance audit, indicating that the MSPO SCCS system is effectively in place. However, there have been no transactions involving certified products yet. Monthly declarations are consistently submitted to MSPO Trace.

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: (Oct 2024– Dec 2024)

Purchased

Month	Supplier	Product	Volume (Mt)
Oct	N/A	N/A	N/A
Nov	N/A	N/A	N/A
Dec	N/A	N/A	N/A

Sold

Month	Buyer	Product	Volume (Mt)
Oct-Dec	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 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 into Sustainable CPO and PK with mill's processing capacity of 54mt per hour. The production of CPO and PK is only for local export. Through site inspection, 4 storages for CPO were sighted and 1 store for PK. Storage capacity for CPO is 5900 mt and PK is 700mt. 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 KKS Bukit Sagu, effective on 7th Jan 2023. The management has appointed Mr. Muhammad Khuzaini Bin Hamdan 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 Bukit Sagu 04, FGVPM Bukit Sagu 6, FGVPM Bukit Sagu 08 etc) and the non-certified FFB is coming from external suppliers.

The Mass Balance record is maintained by the weighbridge clerk and MPR System (Mill Performance Report). The incoming transaction and production of CPO and PK is recorded daily in the MPR System. The mass balance is using fixed inventory period.

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
09.30-10.30	Opening Meeting	MRK
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	MRK
11.30-12.00	2. Resource Management 2.1 Competency and Training	MRK
12.00-12.30	3. Traceability	MRK
12.30-14.00	Lunch Break	MRK
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	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:	28.10.2024
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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:	038-2024-SCCS-FGV PALM INDUSTRIES – KILANG SAWIT BUKIT SAGU
Certificate number:	MSPO SCCS-TCI-038-2024-01
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:	MOHD SHAZWAN BIN SHARIF
Position:	SUSTAINABILITY MANAGER
Date:	18 FEBRUARY 2025



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 BUKIT SAGU**

Acknowledged by:

Name: MOHD RIZAL BIN MD KASSIM

Position: LEAD AUDITOR

Date: 18 FEBRUARY 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 BUKIT SAGU** 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: 18 FEBRUARY 2025


Signature