

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

**KOPERASI PERMODALAN FELDA MALAYSIA BERHAD,  
KILANG SAWIT ENSENGEI, LOT 1, BLOK 9, SEDILU  
GEDONG LAND DISTRICT, 94300 KOTA SAMARAHAN,  
SARAWAK**

**043-2024-SCCS – KPF KOTA SAMARAHAN**

Audit date:	11 JUNE 2024	
Report prepared by:	ERMADASILA BIN MOHAMAD	(Lead Assessor)
Report prepared on:	10 AUGUST 2024	
Certification decision by:	ATIKA BINTI BAKAR	(Certifier)
Certification decision on:	09 OCTOBER 2024	

## TABLE OF CONTENT

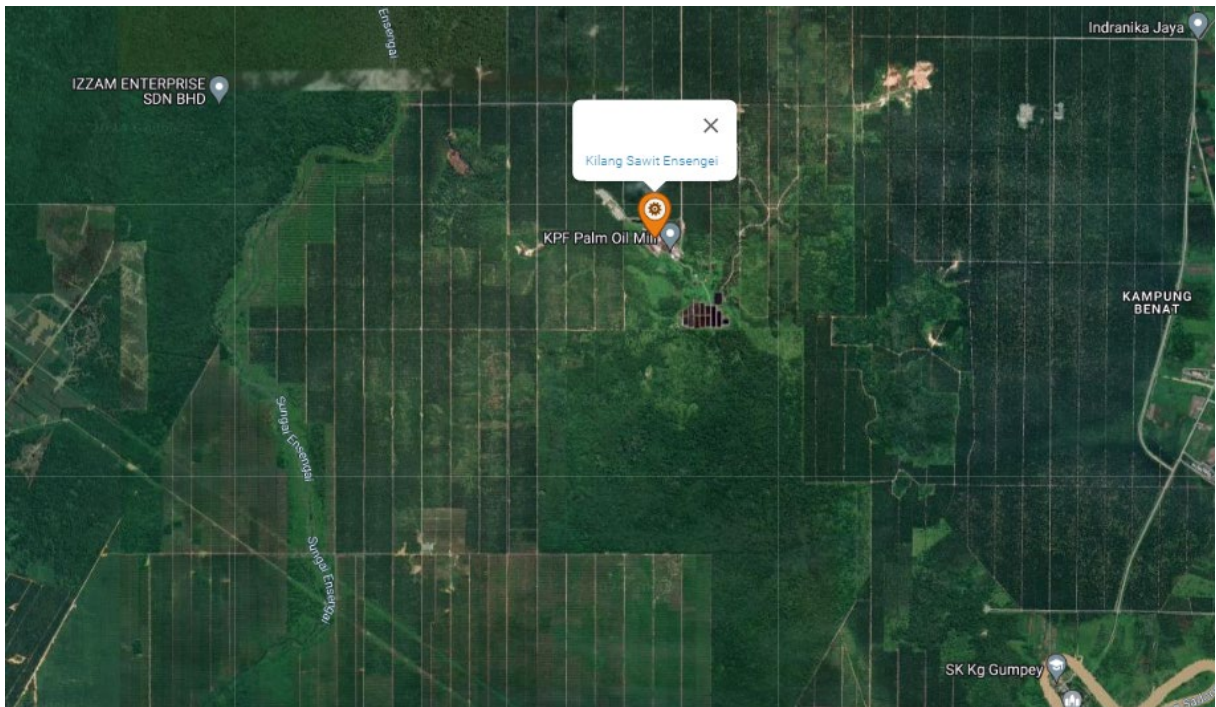
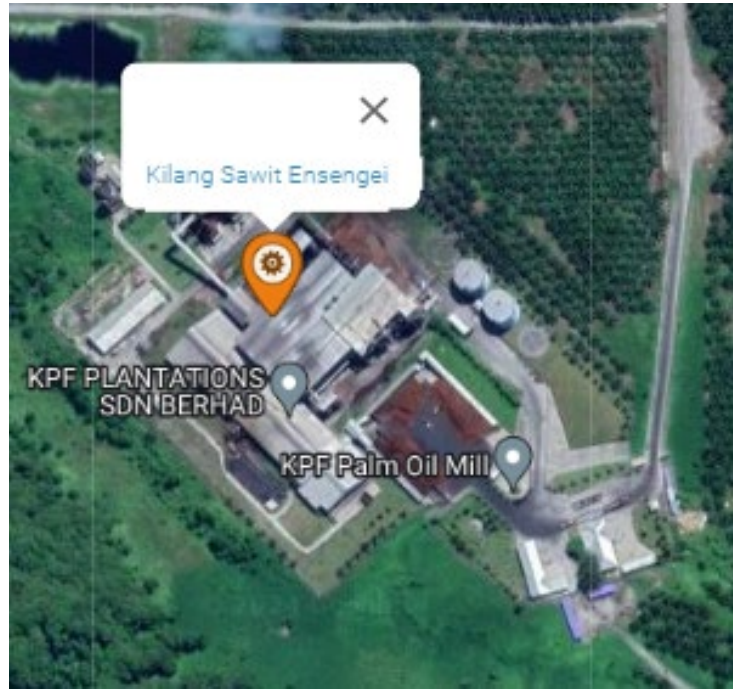
TITLE	PAGE
<b>PART 1: CERTIFIED COMPANY DETAILS</b>	
1.1 Company Unit Details	3
1.2 Certified Unit Details	3
1.3 Facilities included in the Scope of the Audit	5
1.4 Audit Program	5
<b>PART 2: SUMMARY OF THE REPORT AND SCOPE OF THE AUDIT</b>	
2.1 MSPO SCCS Summary Report	6
<b>PART 3: MSPO CERTIFIED PRODUCTS / 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	13
6.3 Certificate Details and Scope	13
<b>PART 7: FORMAL SIGN OFF OF AUDIT FINDINGS</b>	
7.1 Signing by the Client	14
7.2 Signing by the Lead Auditor	15
7.3 Signing by the Certifier	16

**PART 1: CERTIFIED COMPANY DETAILS**

1.1 Company Details	
Name of Company:	KOPERASI PERMODALAN FELDA MALAYSIA BERHAD
Main Address :	Koperasi Permodalan Felda Malaysia Berhad, Kilang Sawit Ensengei, Lot 1, Blok 9, Sedilu Gedong Land District, 94300 Kota Samarahan, Sarawak
Management’s Representative Details	
Name:	Mr. Rizal Alimin
Email Address:	mrizal.a@felda.net.my
MPOB License Details	
MPOB License’s No.:	500194604000
Expiry Date:	01.04.2024-31.03.2025
Date of Certificate Issued and Validity:	19.09.2024 – 18.09.2029
Scope of Audit:	Production of MSPO Certified Palm Oil Products by Using Mass Balance Model
Supply Chain Model:	Mass Balance (Continuous System)
Type of Facilities:	Palm Oil Mill
Product(s) included in Certification:	Crude Palm Oil & Palm Kernel
Other Sustainability Certifications:	MSPO OPMC PART 4

1.2 Certified Unit Details		
Name of Certified Unit:	KILANG SAWIT ENSENGEI	
Address of Certified Unit:	Lot 1, Blok 9, Sedilu Gedong Land District, 94300 Kota Samarahan, Sarawak.	
Processing Capacity:	60 MT/H	
GPS Coordinate:	Longitude: E 101°71'50.86"	Latitude: N 3°17'05.34"

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
BSSK Logistics Sdn Bhd	Lot 1314, Jalan Meranti, Pending Industrial Estate, 93450 Kuching, Sarawak	Transportation for CPO & PK	<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	2019	23.08.2019
ASA1	2020	09.12.2020
ASA2	2021	21.06.2021
ASA3	2022	13.06.2022
ASA4	2023	15.06.2023
Re-assessment	2024	12.06.2024

## 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 CPO and PK with mill's processing capacity of 60 mt per hour. The production of CPO and PK is only for local export. Through mill layout plan, there are three storages for CPO were sighted and two storage for PK. Storage capacity for CPO tanks are two of 3000 mt each (both in use) and PK storage capacity are 150 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 BSSK Logistics 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 detail's 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 KPF Plantation and other estates. At the time of audit, it is verified that there is changes in receiving system since June 2023 to identifies FFB received as certified and non- certified FFB according to existence of MSPO certificate hold by the estates.

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). 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 on all transaction of delivery of MSPO certified product for the previous audit year.

From the surveillance audit, there is **one non-conformity** raised. Sighted in the MPR record, the management has selling 38,6600.60 Mt for 2023 and 14,181.55 Mt for 2024 of Certified material which more than the certified material produced by the mill. The mill has overdrawn the selling of certified material.



**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: (Jan – May 2024)**

**Purchased**

Month	Supplier	Product	Volume (Mt)
JAN-MAY	MSPO CERTIFIED ESTATE	FFB	50566.71

**Sold**

Month	Supplier	Product	Volume (Mt)
JAN-MAY	MSPO CERTIFIED BUYER	CPO	844.18

## **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
ERMADASILA BIN MOHAMAD	Post graduate qualification in Master in Science (MSc) by Research with 7 years working experience in Lecturer and manufacturing activities. Lecturer in Applied Science Faculty, University Teknologi MARA Cawangan Pahang since 2014, expert in Biodiversity and Environmental assessment. Completed Malaysian Sustainable Palm Oil Lead Auditor course in 2017.

### **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 CPO and PK with mill's processing capacity of 60 mt per hour. The production of CPO and PK is only for local export. Through mill layout plan, there are three storages for CPO were sighted and two storage for PK. Storage capacity for CPO tanks are two of 3000 mt each (both in use) and PK storage capacity are 150 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 BSSK Logistics 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 detail's 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 FGV Plantation Group only and other than FGV Group is declared as non-certified. At the time of audit, it is verified that there is changes in receiving system since April 2022 to identifies all FFB received as non-certified suppliers.

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). 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 on all transaction of delivery of MSPO certified product for the previous audit year.

From this surveillance audit, there is one no non-conformity raised. The system of MSPO SCCS is in place and the monthly declaration is submitted every month in MSPO Trace.

4.6 Audit Agenda		
Proposed Assessment Agenda for this Audit		
<b>Prepared by</b>	ERMADASILA BIN MOHAMAD [EBM]	
<b>Approved by</b>	ATIKA BINTI BAKAR [ABB]	
Time	Activity	Auditor
09.30-10.30	Opening Meeting	EBM
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	EBM
11.30-12.00	<b>2. Resource Management</b> 2.1 Competency and Training	EBM
12.00-12.30	<b>3. Traceability</b>	EBM
12.30-14.00	Lunch Break	EBM
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>	EBM
15.30-16.00	Verify outstanding issue if applicable	EBM
16.00-17.00	Closing Meeting	EBM

## **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:	11.06.2024
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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**

<b>6.1 Summary of Non-Compliance (if applicable)</b>	
NC Number:	01
Date:	11.06.2024
Reference to standard:	8.2.2.3
Standard requirement:	The organisation shall ensure that the output of MSPO MB palm oil product supplied to customers from the physical site does not exceed the input of MSPO certified palm oil products received at the physical site, using either a continuous accounting system or a fixed inventory period.
Evidence of non-compliance:	Sighted in the MPR record, the management has selling 38,6600.60 Mt for 2023 and 14,181.55 Mt for 2024 of Certified material which more than the certified material produced by the mill. The mill has overdrawn the selling of certified material.
Corrective action (to be filled by client)	Our future planning is; the mill will be more carefully and perform regular monitoring regarding the movement of MSPO certified and non-MSPO certified selling products. This is to prevent similar incidents from happening in the future.
Evidence of compliance: (to be filled in by certifier)	The corrective action will be taken by the mill is; to downgrade all products sold as non-certified products until all certified overdrawn amounts 17,727.68mt is fully concealed. This downgrade actions have been starting in June 2024 with 4,139.04MT of CPO dispatch declared as non-certified products. Please refer to the "MPR" Report for your kind perusal.
Status (closed if applicable)	Closed

## 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:	043-2024-SCCS-KPF KOTA SAMARAHAN
Certificate number:	<b>MSPO SCCS-TCI-043-2024-01</b>
Start date of certificate:	19.09.2024
End date of certificate:	18.09.2029
Date of first certification:	19.09.2024
Duration of certificate:	5 Years from date of certification

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

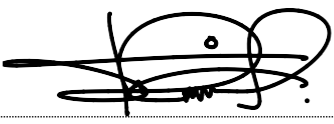
**7.1 Signing by the Client**

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:	KHAIRUL ANWAR BIN KAMARUDDIN	 <b>Signature</b>
Position:	MILL MANAGER	
Date:	12 SEPTEMBER 2024	

### 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 **KPF KOTA SAMARAHAN – KILANG SAWIT ENSENGEI** Certification Unit

#### Acknowledged by:

Name: ERMADASILA BIN MOHAMAD

Position: LEAD AUDITOR

Date: 02 OCTOBER 2024



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 **KPF KOTA SAMARAHAN – KILANG SAWIT ENSENGEI** 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: 09 OCTOBER 2024



Signature