

**MSPO SUPPLY CHAIN CERTIFICATIONS**

**RECERTIFICATION- Audit Report**

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

**KEMA DEVELOPMENT SDN. BHD. PALM OIL MILL  
B60, 1ST FLOOR, LORONG TUN ISMAIL 5,  
25000 KUANTAN, PAHANG.**

**006-2024-SCCS – KEMA DEVELOPMENT SDN. BHD.**

Audit date:	03 SEPTEMBER 2024	
Report prepared by:	<b>MOHD JOHARI BIN MD KASSIM</b>	(Lead Assessor)
Report prepared on:	03 SEPTEMBER 2024	
Certification decision by:	<b>ATIKA BINTI BAKAR</b>	(Certifier)
Certification decision on:	09 DECEMBER 2024	

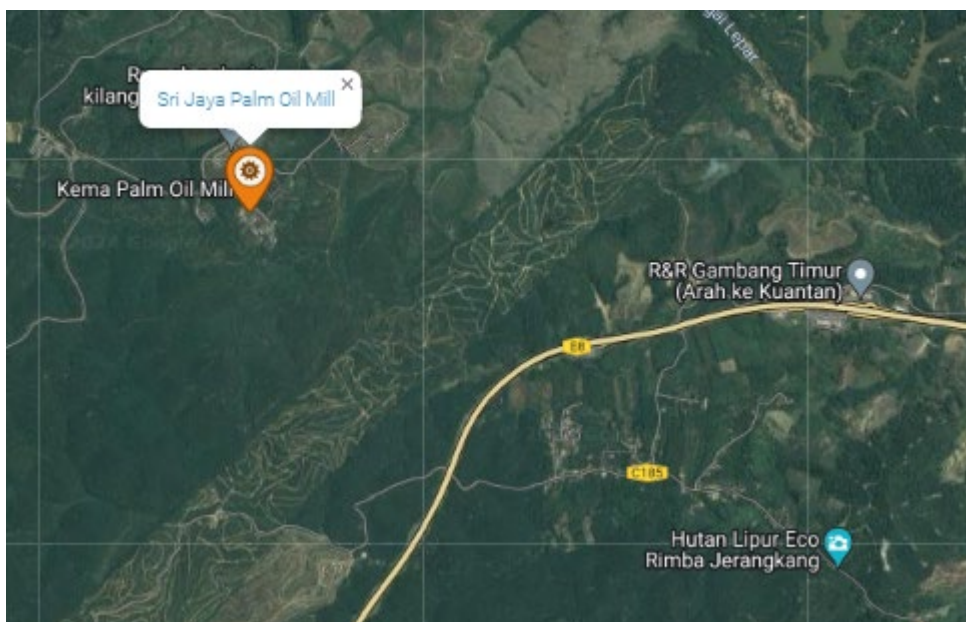
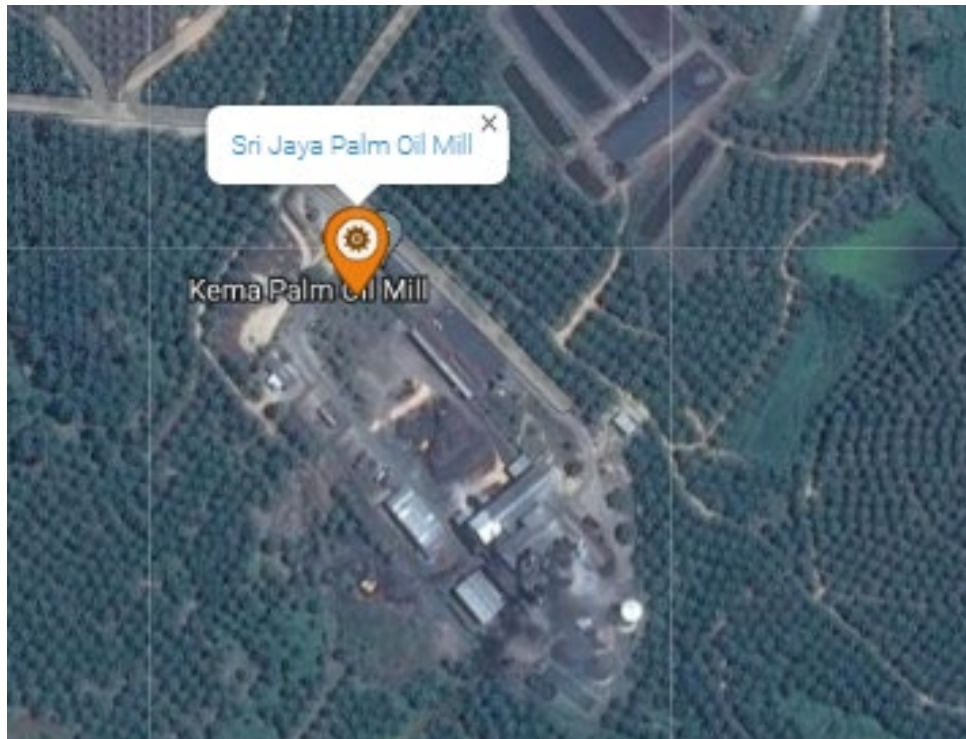
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**PART 1: CERTIFIED COMPANY DETAILS**

1.1 Company Details	
Name of Company:	KEMA DEVELOPMENT SDN. BHD.
Main Address :	KEMA Development Sdn. Bhd. – Palm Oil Mill B60, 1st Floor, Lorong Tun Ismail 5, 25000 Kuantan, Pahang.
Management’s Representative Details	
Name:	Mr. Rajendran A/L Muniandy
Email Address:	<a href="mailto:kemaom@gmail.com">kemaom@gmail.com</a>
MPOB License Details	
MPOB License’s No.:	500078804000
Expiry Date:	31.12.2024
Date of Certificate Issued and Validity:	31.12.2024 – 30.12.2029
Scope of Audit:	Production of MSPO SCCS Certified Crude Palm Oil and Palm Kernel by using Mass Balance Model
Supply Chain Model:	Mass Balance (Fixed Inventory Period)
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:	KEMA DEVELOPMENT SDN. BHD.	
Address of Certified Unit:	Palm Oil Mill Division, 26030 Sri Jaya, Maran, Pahang	
Processing Capacity:	25 MT/H	
GPS Coordinate:	Latitude: N 3°72'98.92"	Longitude: E 102°88'82.53"

**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	2019	27.12.2019
ASA1	2020	30.11.2020
ASA2	2021	20.10.2021
ASA3	2022	02.12.2022
ASA4	2023	08.12.2023
Re-assessment	2024	03.09.2024

## 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 with a mill's processing capacity of 25mt per hour. The production of CPO and PK is only for local export. Through site inspection, 4 storages for CPO were sighted, and 3 store for PK. Storage capacity for CPO is 3,170 mt and PK is 355.50 mt. There was 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 management has developed an SOP of MSPO SCCS procedure for KEMA DEVELOPMENT PALM OIL MILL SDN BHD effective on 01<sup>st</sup> October 2019. The management has appointed Mr. Rajendran A/L Muniandy as the responsible person to monitor the MSPO SCCS requirement.

Verified from the MSPO Trace system, the mill has declared their certified and non-certified FFB supplier together with their potential buyers of CPO and PK. There is no transaction of delivery of certified sustainable product yet for the previous audit year. The incoming sustainable FFB is coming from internal and external outsources (e.g.: Kema Development Sdn. Bhd (Srijaya Estate), Poh Lee Plantation Sdn. Bhd, Ikatan Ribuan Sawit, and etc) and the non-certified FFB is coming from external suppliers.

The Mass Balance record is maintained by the weighbridge clerk in the Daily Mass Balance Report. The incoming transaction and production of CPO and PK are recorded daily in the Daily Mass Balance Report. The mass balance is using a fixed inventory period.

The record of complaints is well maintained. However, there is no complaint related to the product's quality for the previous year and this 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 is implemented by the mill. 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.

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.

**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: (Jun – Aug 2024)**

**Purchased**

Month	Supplier	Product	Volume (Mt)
June - August 2024	Kema Development Sdn Bhd	FFB	8,727.03
June – August 2024	Poh Lee Plantation Sdn Bhd	FFB	1,415.87
June – August 2024	Ikatan Ribuan Sawit	FFB	6,066.22

**Sold**

Month	Supplier	Product	Volume (Mt)
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 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)

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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		
<b>Prepared by</b>	MOHD JOHARI BIN MD KASSIM [MJK]	
<b>Approved by</b>	PUTRI HANI NABILAH BT MEGAT ABD AZIZ [PHN]	
Time	Activity	Auditor
09.30-10.30	Opening Meeting	MOHD JOHARI BIN MD KASSIM
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	MOHD JOHARI BIN MD KASSIM
11.30-12.00	<b>2. Resource Management</b> 2.1 Competency and Training	MOHD JOHARI BIN MD KASSIM
12.00-12.30	<b>3. Traceability</b>	MOHD JOHARI BIN MD KASSIM
12.30-14.00	Lunch Break	MOHD JOHARI BIN MD KASSIM
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 Fixed inventory periods  <b>5. Outsourced Activities</b> <b>6. Claim</b> <b>7. Complaints and Grievances</b> <b>8. IT Platform</b>	MOHD JOHARI BIN MD KASSIM
15.30-16.00	Verify outstanding issue if applicable	MOHD JOHARI BIN MD KASSIM
16.00-17.00	Closing Meeting	MOHD JOHARI BIN MD KASSIM

## **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:	03.09.2024
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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:	006-2024-SCCS-KEMA Development Sdn. Bhd.
Certificate number:	<b>MSPO SCCS-TCI-006-2024-01</b>
Start date of certificate:	31.12.2024
End date of certificate:	30.12.2029
Date of first certification:	31.12.2019
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:	RAJENDIRAN A/L MUNIANDY
Position:	MILL MANAGER
Date:	09 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 **KEMA DEVELOPMENT SDN BHD** Certification Unit

### Acknowledged by:

Name: MOHD JOHARI BIN MD KASSIM

Position: LEAD AUDITOR

Date: 06 DECEMBER 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 **KEMA DEVELOPMENT SDN BHD** 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 DECEMBER 2024



Signature