

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

**FGV PALM INDUSTRIES SDN BHD  
(KILANG SAWIT MERCU PUSPITA)  
PETI SURAT NO. 26, POS CENDERAWASIH, 91150  
LAHAD DATU, SABAH**

**049-2024-SCCS – FGV PALM INDUSTRIES-KILANG  
SAWIT MERCU PUSPITA**

Audit date:	20 NOVEMBER 2024	
Report prepared by:	<b>HENDRICKS RICHARD</b>	(Lead Assessor)
Report prepared on:	24 NOVEMBER 2024	
Certification decision by:	<b>ATIKA BINTI BAKAR</b>	(Certifier)
Certification decision on:	10 APRIL 2025	

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**PART 1: CERTIFIED COMPANY DETAILS**

1.1 Company Details	
Name of Company:	FGV PALM INDUSTRIES SDN BHD
Main Address :	FGV Palm Industries Sdn Bhd, Menara FELDA, Platinum Park, No11, Persiaran KLCC, Kuala Lumpur
Management’s Representative Details	
Name:	Mr. Mohd Shazwan Sharif
Email Address:	<a href="mailto:shazwan.s@fgvholding.com">shazwan.s@fgvholding.com</a>
MPOB License Details	
MPOB License’s No.:	500276404000
Expiry Date:	31.03.2025
Date of Certificate Issued and Validity:	31.12.2024 - 30.12.2029
Scope of Audit:	Production of crude palm oil and palm kernel by using mass balance continuous system.
Supply Chain Model:	Mass Balance Model
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 MERCU PUSPITA)	
Address of Certified Unit:	Peti Surat No. 26, Pos Cenderawasih, 91150 Lahad Datu, Sabah.	
Processing Capacity:	60 MT/HR	
GPS Coordinate:	Longitude: 119°0'47" E	Latitude: 5° 12'23" N

**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	2019	25.11.2019
ASA1	2020	6.10.2020
ASA2	2021	10.12.2021
ASA3	2023	17.1.2023
ASA4	2023	21.11.2023
Re-assessment	2024	20.11.2024

**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 Certified Sustainable Crude Palm Oil (CPO) and Palm Kernel (PK) with a capacity of 60 metric tons per hour, exclusively for local export. It has four storage tanks for CPO with a total capacity of 2,000 metric tons and one storage facility for PK with a capacity of 500 metric tons. No external storage is used. The management maintains an updated list of FFB suppliers and buyers for CPO and PK, and the mill does not use the MSPO logo.

An MSPO Supply Chain Certification Standard (SCCS) procedure has been in place since 07<sup>th</sup> January 2021, for FGVPI KKS Mercu Puspita, with Mr. Muhammad Hazman Bin Ibrahim @ Yusoff appointed to oversee compliance. The mill has declared its certified and non-certified FFB suppliers and potential buyers in the MSPO Trace system. Certified FFB is sourced from external suppliers like FGVPM Sahabat 48, 56, 46, and 07, while non-certified FFB comes from other suppliers. No certified product transactions were recorded due to no demand from buyer of CPO and PK.

FGVPI KKS Mercu Puspita employs a continuous accounting system for managing its mass balance reporting. This process is fully integrated and maintained within the Integrated Palm Mills System (IPMS), ensuring accurate and up-to-date records for all incoming transactions and production outputs of Crude Palm Oil (CPO) and Palm Kernel (PK). All MSPO SCCS-related documents are retained for at least three years, as verified through previous records and procedures. Traceability is ensured as all incoming FFB is accompanied by delivery notes and grading chits, and weighbridge tickets are issued with required details.

The recent recertification audit found the MSPO SCCS system effectively implemented, with no non-conformities. Monthly declarations submitted to MSPO Trace align with internal reports on FFB received and CPO/PK production.

**PART 3: MSPO CERTIFIED PRODUCTS / MASS BALANCE SAMPLE**

**3.1 MSPO SCCS Certified Volumes**

Confirmation of the company's summary of the annual certified volume of MSPO certified Palm Oil Products or Palm Derivatives over a specified period (not applicable for the first certification)

**Month Sampled: July 2024 – October 2024**

Purchased			
Month	Supplier	Product	Volume (Mt)
Oct' 2024	FGVPM Sahabat 48	Certified FFB	1404.72
	FGVPM Sahabat 56		1952.66
	FGVPM Sahabat 07		2820.34
	FGVPM Sahabat 50		2177.70
Sept' 2024	FGVPM Sahabat 48	Certified FFB	1605.81
	FGVPM Sahabat 56		1770.92
	FGVPM Sahabat 07		3155.97
	FGVPM Sahabat 50		2384.44
Aug' 2024	FGVPM Sahabat 48	Certified FFB	1731.39
	FGVPM Sahabat 56		1062.05
	FGVPM Sahabat 07		2785.28
	FGVPM Sahabat 50		2818.42
Jul' 2024	FGVPM Sahabat 48	Certified FFB	1685.35
	FGVPM Sahabat 56		1691.43
	FGVPM Sahabat 07		2426.75
	FGVPM Sahabat 50		2711.58
Sold			
Month	Buyer	Product	Volume
Oct' 2024	-	-	-
Sept' 2024	-	-	--
Aug' 2024	-	-	-
Jul' 2024	-	-	-

## 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
HENDRICKS RICHARD	<p>He holds a Bachelor's Degree with Honour in Biotechnology and graduated from University of Malaysia Sabah (UMS) in 2007. He has more than ten (10) years working experience in plantation company. He has successfully completed the Lead Auditor course Integrated Management System (IMS) for ISO 9001 &amp; ISO 14001 attended on December 2018, Auditor MSPO MS2530: 2013 on January 2019, MSPO SCCS on June 2019 and Train The Trainer (TTT) on February 2021.</p> <p>He also has passed the exam of IRCA Approved OHSMS Lead Auditor Course on June 2023, SA8000 Auditor course on September 2023, completed the Lead Auditor MSPO MS2530:2022 on April 2024, passed the exam of Exemplar Global QMS Lead Auditor Course on June 2024 and Exemplar Global EMS Lead Auditor Course on July 2024.</p> <p>He able to speak and understand Bahasa Malaysia and English. He has been involved in auditing activity since April 2019.</p>

### 4.4 The Certification Decision Management Team

Name	Qualifications
ATIKA BINTI BAKAR	<p>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 &amp; 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.</p>



**4.5 Summary of previous certification assessments and conclusion, with recommendations or non-conformances**

(Not applicable for main assessment reports)

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The recent recertification audit found the MSPO SCCS system effectively implemented, with no non-conformities. Monthly declarations submitted to MSPO Trace align with internal reports on FFB received and CPO/PK production.

4.6 Audit Agenda		
Proposed Assessment Agenda for this Audit		
<b>Prepared by</b>	HENDRICKS RICHARD	
<b>Approved by</b>	PUTRI HANI NABILAH	
Time	Activity	Auditor
09.30-10.00	Grand Opening Meeting	HENDRICKS RICHARD
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	HENDRICKS RICHARD
11.30-12.00	<b>2. Resource Management</b>  2.1 Competency and Training	HENDRICKS RICHARD
12.00-12.30	<b>3. Traceability</b>	HENDRICKS RICHARD
12.30-14.00	Lunch Break	HENDRICKS RICHARD
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 4.2.4 Fixed inventory periods  <b>5. Outsourced Activities</b> <b>6. Claim</b> <b>7. Complaints and Grievances</b> <b>8. IT Platform</b>	HENDRICKS RICHARD
15.30-16.00	Verify outstanding issue if applicable	HENDRICKS RICHARD
16.00-17.00	Closing Meeting	HENDRICKS RICHARD

## **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:	20.11.2024
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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:	049-2024-SCCS-FGV Palm Industries - Kilang Sawit Mercu Puspita
Certificate number:	MSPO SCCS-TCI-049-2024-01
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 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:	MOHD SHAZWAN BIN SHARIF
Position:	SUSTAINABILITY MANAGER
Date:	09 APRIL 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 MERCU PUSPITA** Certification Unit

### Acknowledged by:

Name: HENDRICKS RICHARD

Position: LEAD AUDITOR

Date: 10 APRIL 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 previous 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 MERCU PUSPITA** 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: 10 APRIL 2025



Signature