

**MALAYSIAN SUSTAINABLE PALM
OIL CERTIFICATION SCHEME**

MSPOCS01

(Certification System Document)

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**The Malaysian Sustainable Palm Oil (MSPO) Certification Scheme and
Its Implementation Arrangement**



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ACRONYMS

AB	Accreditation Body
ACB	Accredited Certification Body
CSPO	Certified Sustainable Palm Oil
DRC	Dispute Resolution Committee
Standards Malaysia	Department of Standards Malaysia
FELCRA	Federal Land Consolidation and Rehabilitation Authority, Malaysia
FELDA	Federal Land Development Authority, Malaysia
FFB	Fresh Fruit Bunch
IAF	International Accreditation Forum
MPI	Ministry of Primary Industries, Malaysia
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil
MU	Management Unit
RISDA	Rubber Industry Smallholders Development Authority, Malaysia
SALCRA	Sarawak Land Consolidation and Rehabilitation Authority, Malaysia
SLDB	Sabah Land Development Board, Malaysia
SPOCs	Sustainable Palm Oil Clusters
SCCS	Supply Chain Certification Standard

Definitions of terms used in this document are listed below.

Accreditation Body (AB)	The organization that undertakes the accreditation of Certification Bodies.
Applicant Certification Body (CB)	Certification Body that has submitted application for accreditation with Department of Standards Malaysia and allowed to issue a maximum of only four (4) non-accredited certificates for the purpose of fulfilling the accreditation requirements. Applicant CB to adhere to all the requirements imposed on ACB.
Audit	The combined processes of audit, review, and decision on an Organization's conformity with the requirements of a standard.
Certificate	Document issued under the rules of a certification system, indicating that adequate confidence is provided that a duly identified product, process or service is in conformity with a specific standard or other normative document
Accredited Certification Body (ACB)	An organization that accredited by Standards Malaysia to undertake the MSPO certification assessment and issues a certificate.
Certified entities	An organization or a Management Unit that has obtained certificate of conformity issued by the Accredited Certification Body (ACB) under the MSPO Certification Scheme.
Conflict of interest	Situation in which a party has an actual or perceived interest that gives, or could have the appearance of giving, that party an incentive for personal, organizational, or professional gain, such that the party's interest could conflict, or be perceived to conflict with, the conduct of an impartial and objective certification process.
Corrective action	Action to eliminate the cause of a detected nonconformity or another undesirable situation
Initial certification audit	Initial systematic, documented process for obtaining records, statements of fact or other relevant information and assessing them objectively to determine the extent to which MSPO requirements are fulfilled.
Management Unit	Unit of certification
Physical Handling	Activities which may include risk during receipt, storage and dispatch or where a product undergoes physical transformation or re-packing or re-labelling.
Plantation	The land containing oil palm and associated land uses such as infrastructure (e.g. roads), riparian zones and conservation set-asides.
Processing Facilities	Processing facilities are such as Refinery, Kernel Crusher, Biodiesel Plant, Product Manufacturer which using Palm Oil based products as ingredient, etc.-
Re-certification audit	Re-audit of an organization for renewal of MSPO certification before expiry of the current certificate. MSPO re-certification shall be undertaken at least every five years.
Supply Chain	The series of processes/steps through which agricultural raw materials pass from the primary producer through to the end product manufacturer (i.e. palm oil growing, palm oil milling, storage, transport, refining, manufacture, end product etc).
Surveillance audits	Annual systematic repetition of conformity assessment activities as a basis for maintaining the validity of MSPO certification.

1. Scope

- 1.1 The Malaysian Sustainable Palm Oil (MSPO) Certification Scheme is the national palm oil certification scheme in Malaysia and is operated by the Malaysian Palm Oil Certification Council (MPOCC) as the scheme owner. MPOCC is an independent organization which was established in December 2014 as a company limited by guarantee and started its operations in October 2015.
- 1.2 MPOCC's objectives are:
- To establish and operate a sustainable palm oil certification scheme in Malaysia.
 - To engage with relevant stakeholders i.e. Non-Governmental Organizations, institutions of higher learning, trade associations, accreditation body and Accredited Certification Bodies.
 - To establish a mechanism for the certification of entities complying with the requirements of auditable sustainability standards and supply chain standard.
- 1.3 This document sets out the key components, requirements, and implementation arrangement of the MSPO Certification Scheme.
- 1.4 In the event of contradicting requirements with ISO/IEC 17021-1:2015 Conformity Assessment - requirements for bodies providing audit and certification of management systems; ISO/IEC 17065:2012 Conformity Assessment - requirements for bodies certifying products, processes and services, and / or any other normative reference documents, then MPOCC scheme document requirements shall always prevail.

2. Background

- 2.1 MPOCC was established following a decision by the Cabinet to establish a national palm oil certification scheme to assist in ensuring continual practices of sustainable management in the palm oil industry, as well as to meet the market demand for certified sustainable Malaysian palm oil products and provide the assurance that MSPO certification is implemented independently.
- 2.2 The Board of Trustees, comprising the Chairman and 12 members, decides the overall policy and direction in carrying out MPOCC's activities. The members are representatives from the palm oil industry, non-governmental organizations, academic and research and development institutions, smallholder's organizations, and governmental agencies. The structure and link between the Board of Trustees, Management Team and Dispute Resolution Committee is as shown in Figure 1.

- 2.3 The Dispute Resolution Committee (DRC) is an independent committee established by the Board of Trustees to deal with disputes which are submitted to MPOCC for investigation and resolution.

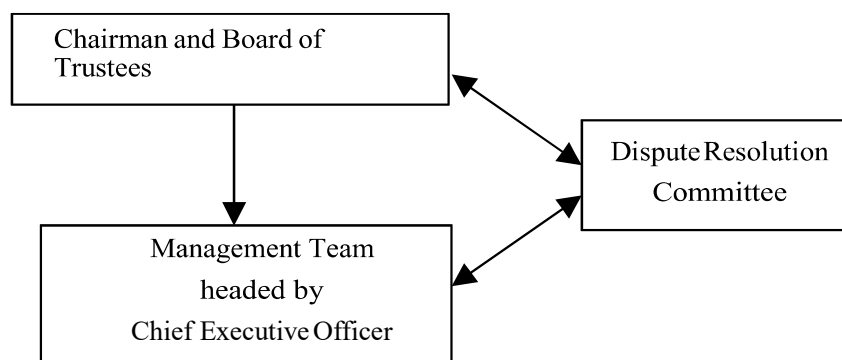


Figure 1: Structure and link between Board of Trustees, Management Team and Dispute Resolution Committee

3. Institutional Arrangement of the MSPO Certification Scheme

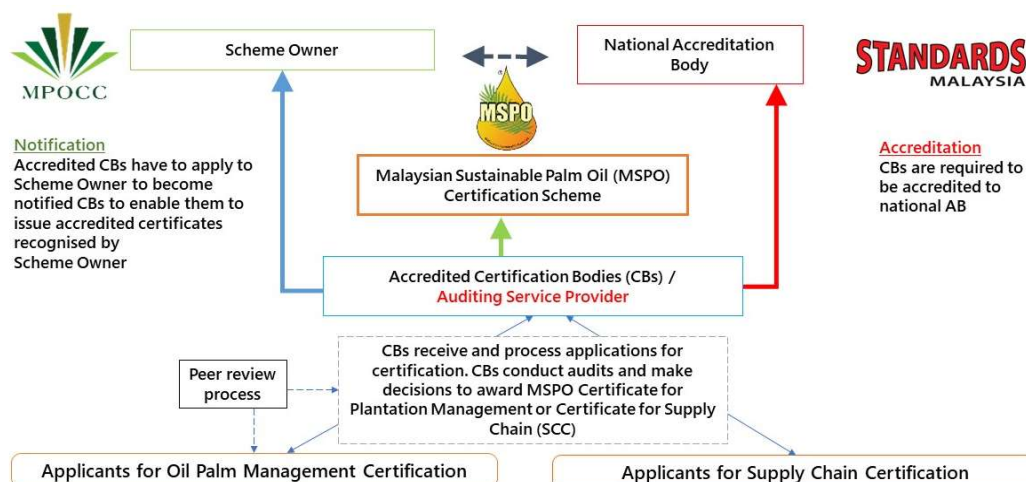
- 3.1. The institutional arrangement of the MSPO Certification Scheme is shown in Figure 2. MPOCC is the scheme owner and is overall responsible for the development and operation of the MSPO Certification Scheme. The Department of Standards Malaysia (Standards Malaysia) as the National Accreditation Body (NAB) accredits qualified companies or organizations as Accredited Certification Bodies (ACBs) under the MSPO Certification Scheme.

- 3.2. Under the MSPO Certification Scheme, the standards used for oil palm management certification are MSPO MS 2530:2013 series or its replacement referred as follows:

- Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for independent smallholders (MS 2530-2:2013)
- Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for oil palm plantations and organized smallholders (MS 2530-3:2013)
- Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for palm oil mills (MS 2530-4:2013)

The MSPO Supply Chain Certification Standard (SCCS) was developed by the Technical Working Committee for MSPO Standards [TWC (MSPO)] and will be used for the certification of processing facilities under the MSPO Certification Scheme.

- MSPO Supply Chain Certification Standard: MSPO-SCCS-01 (1/10/2018)

Figure 2: Institutional Arrangement of the MSPO Certification Scheme

Scheme Owner

3.3. As the MSPO Certification Scheme owner, MPOCC is responsible for the following:

(i) Standards Development and Review,

- Providing secretarial support to the Technical Committee on MSPO [TC- MSPO] which is tasked to:
 - Develop and review Certification Standards under the MSPO Certification Scheme
 - Convene expert panels and working groups to provide advisory and technical input into the standards development and review processes, and other scheme requirements
 - Recommend to the MPOCC Board for adoption of MSPO Standards and documents for implementation under the MSPO Certification Scheme

(ii) Operation of MSPO Certification Scheme

- Training of auditors of ACBs and Standards Malaysia, peer reviewers, and any other party involved with MSPO Certification Scheme by MPOCC approved external training providers.
- Notifying ACBs to operate under the MSPO Certification Scheme
- Monitoring and reporting data on MSPO certification
- Issuing MSPO Logo usage licenses to certificate holders and other logo users
- As a secretariat to the Dispute Resolution Committee (DRC) to address complaints and grievances against the MSPO Certification Scheme

- To provide clarification where conflicting interpretation arise within ACB's, AB and/or certificate holders on the application of this document and/or MSPO standards.

(iii) Promotion of MSPO Certification Scheme

- Conducting training and briefing sessions on the MSPO Certification Scheme and MSPO Standards to relevant stakeholders to facilitate the uptake of MSPO certification
- Participating in local and international exhibitions/fairs/missions/technical visits
- Engaging with international stakeholders and market facilitators to promote MSPO certification

Accreditation Body

3.4. As the National AB, Standards Malaysia is responsible for the following:

- (i) Monitors the applicant CB and ACBs to ensure adherence to the requirements of the MSPO Certification Scheme and Scheme for the Accreditation of CBs.
- (ii) Accrediting CBs to the requirements of ISO/IEC 17021:2015 (*or its replacement*) and/or ISO/IEC 17065:2012 (*or its replacement*) and specifying other requirements for CBs;
- (iii) Ensuring that the auditors of the accredited CBs satisfy the requirements of the MSPO Certification Scheme with regard to their knowledge and experience related to oil palm management certification and/or supply chain certification; and
- (iv) Establishing procedures to deal with complaints and appeals regarding accreditation decision, CBs decision making and performance.
- (v) Decisions on the accreditation status of a CB including application, approval, suspension, withdrawal or termination as well as expanding and/or reducing the scope of accreditation.
- (vi) Accountable for the development, review and implementation of the ACB Scheme for oil palm management (ACB-OPMC) and supply chain certification (ACB-SCC)

Accredited Certification Body

3.5. Oil palm management certification and supply chain certification under the MSPO Certification Scheme shall be carried out by impartial, competent and independent third parties (CBs) accredited by Standards Malaysia that cannot be involved in consultancy, or in the standard setting process as governing or decision making

bodies, or in oil palm management, and are independent of the certified entity or entity to be certified [i.e. oil palm plantations, organized smallholdings, independent smallholdings, palm oil mills and processing facilities]. The ACB and members of its assessment teams shall have maintained independence from the organization being assessed for a minimum of three (3) years to be considered not to have a conflict of interest.

3.6 The ACB is responsible for the following:

- (i) Receiving and processing applications for oil palm management certification and palm oil supply chain certification;
- (ii) Carrying out independent audits and making certification decisions;
- (iii) Issuing, suspending, withdrawing and reinstating the certificates for oil palm management and/or supply chain, and notifying MPOCC thereof; this includes changes concerning the validity and scope of the certificates;
- (iv) Verifying the use of the certificates for oil palm management and/or supply chain, and the use of the MSPO logo;
- (v) Establishing procedures to deal with appeals, complaints and disputes pertaining to the certification activities and decisions;
- (vi) submit monthly information on certified entities on regular basis and as requested by MPOCC;
- (vii) To provide complete and accurate monthly information on upcoming scheduled compliance and witness audits and also the number of full time and freelance auditors;
- (viii) To allow MPOCC to participate as observer during any MSPO audits with the provision of said audit plan;
- (ix) Submit a final audit report and copy of certificate to MPOCC upon (or within 2 weeks after) granting the certification to the entities. The certificate and report submitted must be as per the requirement by MPOCC under **(Appendix 2b)**.
- (x) Make publicly available a summary of the audit report (only for oil palm management) and certificates (both oil palm management and supply chain) at ACB's website.
- (xi) Accredited CBs and CBs applicant for accreditation shall adhere to documents under the Scheme for the Accreditation of CBs (The ACB Scheme). Any complaints against Certification Bodies (ACBs & CBs) to be directed to Accreditation Body (Standards Malaysia).
- (xii) Inform MPOCC about any change in its Accreditation Status.

- 3.7 The MPOCC will only recognize certificates issued by ACB.
- 3.8 The compliance of the ACB with the above requirements shall be verified by an accreditation process carried out by Standards Malaysia.
- 3.9 The ACB shall have a good understanding of the MSPO Certification Scheme in general. An accredited CB for oil palm management and/or supply chain certification shall fulfil the following requirements:
- (i) The ACB for oil palm management certification shall fulfil requirements defined in:
 - a) ISO/IEC 17021:2015 (*or its replacement*)- (Conformity assessment- Requirements for bodies providing audit and certification of management systems); and
 - b) Other requirements for ACBs defined by Standards Malaysia and MPOCC.
 - (ii) The ACB carrying out oil palm management certification shall have the technical competency in oil palm management, on its economic, social and environmental impacts, and a good understanding of the standards for oil palm management certification used in the MSPO Certification Scheme; and
 - (iii) The ACB for supply chain certification shall fulfil requirements defined in:
 - a) ISO/IEC 17065:2012 (*or its replacement*) - (Conformity assessment - Requirements for bodies certifying products, processes and services); and
 - b) Other requirements for ACBs defined by Standards Malaysia and MPOCC.
 - (iv) The ACB carrying out supply chain certification shall have the technical competency in palm oil-based product processing and procurement, material flows in different stages of processing and trading, and a good understanding of the standard for supply chain certification used in the MSPO Certification Scheme.

Auditors

- 3.10 The ACB has the responsibility to use competent auditors that have suitable academic qualification and adequate technical experience know-how on the certification process and issues related to oil palm management or supply chain certification, respectively.

- 3.11 The auditors under the ACBs in Malaysia shall also have to fulfil the additional qualification requirements for auditors carrying out oil palm management or supply chain audits as defined by Standards Malaysia (ACB – OPMC 1 & ACB-SCCS documents). The compliance of the auditors with the above requirements shall be verified during the accreditation carried out by Standards Malaysia.
- 3.12 In the case of the auditors located outside of Malaysia, any additional qualification requirements for the auditors carrying out supply chain audits shall be defined by the respective CBs accredited by Standard Malaysia.

Peer Reviewers

- 3.13 Peer reviewers shall be under the purview of Accredited Certification Bodies. It is the responsibility of the ACBs to source and appoint their own peer reviewers based on internal Standard Operating Procedure as per ISO/IEC 17021 on Resource Requirement and send them for the Peer Reviewer Training organized by MPOCC.
- 3.14 Peer reviewers shall meet the requirement as outlined in the ACB – OPMC 3 document.
- 3.15 MPOCC will retain the existing peer reviewer name list as of 2019 on MPOCC's website. The initial purpose of the list was to assist ACBs during the early implementation stage of MSPO.
- 3.16 The peer reviewer training will only be conducted as and when needed by MPOCC.
- 3.17 Refresher course will only be carried out when there are new requirements on the MSPO Standards and MPOCC Certification Scheme documents and this is compulsory to be attended by all peer reviewers. Failure to do so, peer reviewer is not allowed to review reports.

Applicants for Certification

- 3.18 For oil palm management certification, the applicants shall be the managers of oil palm plantations, organized smallholders, Sustainable Palm Oil Clusters (SPOCs) or Palm Oil Mill which are referred to as Management Units.
- 3.19 The managers of the Management Units shall comply with the certification requirements and are also responsible for ensuring that the activities and operations of the contractors employed in the management units meet the certification criteria.
- 3.20 For supply chain certification, the applicants shall be the companies which process, manufacture, supply and/or export palm oil products using raw materials which originate from the management units certified under the MSPO Certification Scheme and/or take legal ownership and physically handle MSPO certified palm

oil products throughout the supply chain. Supply Chain certification is only applicable to facilities that convert the input materials by changing the physical and/or chemical properties.

- 3.21 The managers of the companies certified under supply chain certification shall comply with the certification requirements and are also responsible for ensuring that the activities and operations of the contractors employed in the companies meet the certification criteria.

4. Standard Setting Process

- 4.1 The standard setting process for the MSPO Standards was previously facilitated by MPOB through the Technical Working Committee and the National Committee for MSPO which were both formed in 2011. The MSPO Standards (MS 2530:2013 series) were finalised and launched in November 2013 and used for MSPO Certification beginning January 2015 when the MSPO Certification Scheme was launched.
- 4.2 Beginning 2016, the standard setting and review processes have been undertaken by MPOCC as the Secretariat to the Technical Working Committee on MSPO [TWC (MSPO)] which reports the progress and activities to the National Steering Committee on MSPO [NSC (MSPO)].
- 4.3 In September 2018, the National Standards Committee on Oil Palm and Its Product (NSC X) was formed at the Malaysian National Standards Committee (MyNSC) meeting. The scope of NSC X is to develop and monitor the implementation of standards for the oil palm industry, its product and by products in support of sustainable development in various sectors ranging from planting to post harvest activities, processing covering the entire supply chain.
- 4.4 The NSC X has decided that TWC (MSPO) shall be known as the Technical Committee on MSPO (TC MSPO). The scope of TC MSPO is to develop, review and monitor the standards used under MSPO Certification scheme. The development and review of standards shall also refer to the respective normative references of ISO/IEC 17021:2015 (*or its replacement*) and ISO/IEC 17065:2012 (*or its replacement*) where applicable, to ensure consistency.
- 4.5 The standard setting and review processes shall be independent from the certification or accreditation processes and shall be conducted through a multi-stakeholder process.

5. Certification Standards

- 5.1 For independent oil palm smallholders, the standard used is the Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for independent smallholders (MS 2530-2: 2013) or its replacement.
- 5.2 For oil palm plantations and organized smallholders, the standard used is the Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for oil palm plantations and organized smallholders (MS 2530-3: 2013), or its replacement.
- 5.3 For palm oil mills, the standard used is the Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for palm oil mills (MS 2530-4: 2013), or its replacement.
- 5.4 For palm oil processing facilities including palm oil mills, the standard used is MSPO Supply Chain Certification Standard (MSPO-SCCS-01) or its replacement.
- 5.5 The certification standards shall be periodically reviewed in light of new knowledge and practical experience in order to ensure continuous improvement. The standards shall be reviewed at intervals that do not exceed a five-year period.

6. Scope of Certification

- 6.1 Table 1 details the scope of certification for SPOCs, organized smallholders, plantation and palm oil mills and processing facilities under the MSPO Certification Scheme.
- 6.2 The scope of certification shall be against only one MSPO Standard. Audits for oil palm plantation and mill/processing facilities must be conducted independently and MSPO certificates for successful auditees shall be issued as per the scope applied. Mills must be certified with MS 2530:4 or its replacement prior to MSPO SCCS or concurrently, however the audit must be done according to the man-days set in the ACB OPMC 2 Audit Duration and ACB-SC/2018 document.
- 6.3 For the purposes of MSPO Witness Audit by Standards Malaysia during accreditation process of CBs, standalone MSPO Audit shall be carried out and any integrated/combined audit checklist shall not be used.

Table 1: Scope of MSPO certification

No	Scope of Certification	Description
MS 2530 - Smallholders		
1	Individual Certification	This category applies <u>specifically</u> for independent smallholder who is not organized into any group.
2	Group Certification for Independent Smallholders [Sustainable Palm Oil Clusters (SPOCs)]	This category applies <u>specifically</u> for independent smallholders organized into groups. Independent smallholders are individual farmers who own or lease less than 40.46 hectares of an oil palm farm and manage the farm themselves.
3	Group Certification for Organized Smallholders	This category applies <u>specifically</u> for smallholders organized under federal and state land development schemes such as FELDA, FELCRA, RISDA, SALCRA and SLDB.
MS 2530 – Plantations or Mills		
1	Individual Certification	This category applies to oil palm plantation which is not categorized under independent smallholders, SPOCS or Organized Smallholders. Applies to palm oil mill for the scope of MS 2530-4: 2013.
2	Group Certification	<p>Group certification is defined as a group plantation owners coming together for certification under a group manager or a group of estates or a group of mills under the same management unit coming together for certification.</p> <p><i>Note: Suspension of one participating site may lead to the suspension of the whole group certificate. The Central Office has option to remove the participating site from the multi-site certificate.</i></p>
MSPO SCCS - Palm Oil Mills / Processing Facilities		
1	Individual Certification	<p>This category applies to:</p> <ul style="list-style-type: none"> i.) Palm Oil Mills under the scope of MS 2530-4: 2013 or its replacement and MSPO SCCS as a unit of certification. ii.) Processing facilities under the scope of MSPO SCCS as a unit of certification.
2	Multi-site Certification	<p>This category applies to a group of sites that have a contractual link, a defined Central Office and a minimum of two (2) participating sites. Such sites may be groups of palm oil mills and processing facilities under the scope of MSPO SCCS. The Central Office is responsible for the group management.</p> <p>The Central Office may appoint a management representative with overall responsibilities to MSPO SCCS implementation and effectiveness on the ground. Sustainability policy can be shared, while internal audit shall be carried out to all participating sites.</p> <p>Certificate and audit report must be issued separately if the scope of processing is different. Refer to Appendix 2a for certificate template and audit report.</p> <p><i>Note: Suspension of one participating site may lead to the suspension of the whole multi-site certificates. The Central Office has option to remove the participating site from the multi-site certificate.</i></p>

- 6.4 The formula for calculating sample size of the audit is explained in the risk classification determination as per Risk Management document (*or its replacement*) which is also mentioned in the ACB-OPMC 2 ‘Audit Duration for Certification Bodies Operating Oil Palm Management Certification under the MSPO Certification Scheme’. For group certification that falls under the MS 2530:2013, the formula given applies to initial certification, all the annual surveillance and recertification audits. Estates / mills sampled in previous audit not to be sampled again in the next cycle, a different sample must be chosen unless all samples have been audited. Verification to close non-conformity not to be counted as auditable sample.

Rules for Group Certification

- i) Homogenous grouping:
 - Members locate in similar geographical proximity
 - Similar operating system and characteristic
 - Risk assessment shown a similar risk exposure
- ii) Management System Requirements
 - Share a harmonized management system
 - Similar processes and generation of materials

Sampling approach is not allowed for supply chain certification. Each unit shall be audited under the multi- site certification. (Refer Table 1: Scope of MSPO Certification). The processing facilities are allowed to choose only one or both supply chain model to be applied in their scope of certification which will be verified by the ACB during the audit process.

7. Certification Procedures

- 7.1 For oil palm management certification, the manager of a Management Unit will need to apply to an accredited CB for the ACB to conduct an audit on the management unit to ascertain its conformance with the requirements of the certification standard. The written audit report [for initial (stage 2) audit or recertification audit] will be subjected to comments by the applicant and a peer review process. The peer review process is defined in the ACB – OPMC 3 document, Peer Review Process Requirements for Certification Bodies operating Oil Palm Management Certification under the Malaysian Sustainable Palm Oil (MSPO) Certification Scheme, dated 1 August 2017. If no major non-conformities are issued by the ACB, the management unit will be eligible for the award of the certificate of conformance with the respective standard or in the case of a recertification audit, the renewal of the certificate.

7.2 For oil palm management certification, three (3) categories of audit findings will be used. The audit findings are categorized into the following:

- i) Major corrective action request / non-conformity
 - Non-conformity that affects the capability of the management system to achieve the intended results
 - To be addressed with correction & corrective action not exceeding a time frame of 3 months and verified by ACB within 2 weeks
- ii) Minor corrective action request / non-conformity
 - Non-conformity that does not affect the capability of the management system to achieve the intended results
 - Corrective action plan to be submitted to ACB and to be verified in the next surveillance audit.
- iii) Opportunity For Improvement (OFI)
 - Areas for potential improvement of the management system

For supply chain certification, two (2) general categories of audit findings will be used. The audit findings are categorized into following:

- i. Major Corrective Action Request / Non-Conformity and
- ii. Opportunity for improvement (OFI).

7.3 For supply chain certification, palm oil millers and processing facilities will need to apply to an accredited CB for the ACB to conduct an audit of the company to ascertain its conformance with the requirements of the certification standard. The written audit report will be subjected to comments by the applicant. If no non-conformities are issued by the CB in the written audit report, the company will be eligible for the award of the certificate for conformance with the standard or in the case of a recertification audit, the renewal of the certificate.

7.4 The ACB shall have established internal procedures for auditing and certification against the standards used in the MSPO Certification Scheme. It should also make publicly accessible, or provide upon request, information describing the auditing and certification processes for granting, maintaining, extending, renewing, reducing, suspending or withdrawing certification.

7.5 The audit carried out by the accredited CB will involve document review, communication or consultation with stakeholders (for MS 2530:2013 series) and a visit to the field or site. The stakeholder consultation process is defined in the ACB – OPMC 4 document, Stakeholder Consultation Requirements for Certification Bodies operating Oil Palm Management.

- 7.6 The applied certification and auditing procedures shall fulfil the requirements defined in the following documents:
- ISO/IEC 17021:2015 (*or its replacement*) (for oil palm management certification)
 - ISO/IEC 17065:2012 (*or its replacement*) (for supply chain certification)
- 7.7 The audit evidence to determine the conformity with the certification standards shall include relevant information from external parties (e.g. government agencies, community groups, environmental and social non-governmental organizations, etc.) as appropriate.
- 7.8 The decision on certification shall be made by a representative of the ACB who did not participate in the audit. The decision shall be based on the written audit report and as per outlined in ISO/IEC 17021 and ISO/IEC 17065.
- 7.9 For oil palm management certification, a summary of the audit report, including a summary of findings on the auditee's conformity against the oil palm management certification standard, written by the ACB, shall be made available to the public in 30 days from the date of issuance of certificate by ACB. The summary shall include a map of appropriate scale showing the location and external boundary of the certified oil palm area. The ACB shall have established internal procedures for auditing and certification against the standards used in the MSPO Certification Scheme. It should also make publicly accessible, or provide upon request, information describing the auditing and certification processes for granting, maintaining, extending, renewing, reducing, suspending or withdrawing certification.
- 7.10 On a monthly basis, the ACB shall inform MPOCC and its certificate holder about all the certificates that it has issued, and changes concerning the validity and scope of these certificates. In the event of transfer, suspension and/or withdraw certificate, the ACB shall inform MPOCC and its certificate holder within 24 hours from the effective date and justification of transfer, suspension and/or withdrawal.
- 7.11 In the case of oil palm management certification involving SPOCs or scheme smallholders, group certification or multi-site certification, the CB shall provide MPOCC with a list of all sites covered by the group certification or multi-site certification. MPOCC may instruct an ACB to suspend or withdraw a certificate. In such cases, the ACB will implement the request within two (2) working days. This must be based on MPOCC's Dispute Resolution Procedure.
- 7.12 For oil palm management certification and supply chain certification, the certification validity is 5 years. The ACB shall undertake the first annual surveillance audits within twelve months of the certificate issue date, but not earlier than nine months after the certificate issue date. The subsequent annual surveillance

audits shall be undertaken within twelve months of the certificate expiration dates, but not earlier than nine months after the expiration date.

- 7.13 Guidance document on MSPO certification process as attached in Appendix 1 and will be updated from time to time.

8. Accreditation Procedures

- 8.1 The CB carrying out certification shall be accredited by Standards Malaysia, which is the National Accreditation Body and a member of the International Accreditation Forum (IAF). Standards Malaysia is required to comply with the procedures described in MS ISO/IEC 17011:2004 (*or its replacement*) Conformity assessment - General requirements for accreditation bodies accrediting conformity assessment bodies. The accredited certificate shall bear the accreditation symbol of Standards Malaysia. Information on accreditation including the accreditation number and name of the AB shall accompany any certificate issued by the accredited CB under the MSPO Certification Scheme.
- 8.2 The CB carrying out oil palm management certification shall be accredited based on ISO/IEC 17021:2015 (*or its replacement*) and shall be covered by the accreditation scope, which specifies the standard(s) used in the MSPO Certification Scheme and ACB – OPMC documents.
- 8.3 The CB carrying out supply chain certification shall be accredited based on ISO/IEC 17065:2012 (*or its replacement*) and shall be covered by the accreditation scope, which specifies the standard used in the MSPO Certification Scheme.
- 8.4 With effect from **1 October 2019** under the MSPO Certification Scheme:
- i. MPOCC shall only recognize Certification Bodies accredited by Standards Malaysia to operate in the MSPO Certification Scheme.
 - ii. The ACBs accredited by Standards Malaysia will be listed on MPOCC's website. Non accredited CBs which are still undergoing accreditation process as of 1 January 2020, will be listed on MPOCC's website (on a goodwill basis) for a duration of 6 months only from the date of acceptance of application for accreditation.
 - iii. The applicant CBs must obtain accreditation within 12 months from the date of acceptance of application for accreditation to operate under the MSPO Certification Scheme.
 - iv. If the applicant CB did not obtain accreditation within the 12 months from the date of acceptance of application, a cooling off period of 12 months will come

into force to allow sufficient time for the applicant CB to improve their internal procedures and processes, before the CB is allowed to re-apply for accreditation.

- v. During the 12 months application for accreditation period, the applicant CB is allowed to issue a maximum of only four (4) non-accredited certificates for MS 2530. The combination of the four (4) non-accredited certificates to consist of all the MS2530 standard series (Part 2, Part 3 and Part 4). For MSPO Supply Chain Standard, applicant CB must be accredited to carry out MS 2530: Part 4 and allowed to issue a maximum of only (3) non-accredited certificates.
- vi. MPOCC will not be held responsible for non-accredited certificates issued by the non-accredited/applicant CBs. MPOCC will not publicly report the certified areas and certified volumes until the said CB obtains accreditation and has issued accredited certificates to its client. It is the CBs responsibility to inform its client on this matter.

8.5 With effect from **1 October 2019** under the MSPO Certification Scheme, for CBs that are accepted for accreditation prior to **1 September 2019**:

- i. Process to obtain Accreditation period remains 24 months.
- ii. The certificates issued by the applicant CBs during the accreditation process are considered as non-accredited certificates and MPOCC will not be held responsible for the certificates.
- iii. If the applicant CB has exceeded the 24 months duration of the accreditation process or has issued more than 4 non-accredited certificates in combination of the four (4) certificates MS2530 standard series (Part 2, Part 3 and Part 4) or a maximum of (3) non accredited certificate for MSPO Supply Chain Standard by applicant CB accredited to MS 2530: Part 4, the CB shall not conduct any further audits or issue new non-accredited certificates except, any scheduled Stage 1 and Stage 2 or annual surveillance audits **agreed prior to 1 October 2019**. MPOCC will acknowledge certificates issued during this period.
- iv. MPOCC will not publicly report the certified areas and certified volumes until the said CB obtains accreditation and has issued accredited certificates to its clients. It is the applicant CBs responsibility to inform its client on this matter.

8.6 If there is a minimum of 2 valid and verified complaints such as false declaration of accreditation, fraudulent behavior, violation of ACB Scheme requirements for MSPO, collusion with consultant or applicant CB provides consultancy to clients that it certifies etc. that affects the credibility of the Scheme raised against the applicant CB during the accreditation period, termination of CB will be enforced.

- 8.7 Short notice (minimum two weeks) announced assessments and witness audits by Standards Malaysia or MPOCC or its appointed independent expert(s) shall be carried out on a sample of ACBs on an annual basis. This is to ensure consistency of audits.
- 8.8 Transfer of certificates:
- Is only allowed between accredited CBs.
 - Prior to 2019 – transfer of non-accredited certificate to accredited CB and Stage 1 exemption was allowed.
 - 1 Jan 2019 - Department of Standards Malaysia (Standards Malaysia) as an Accreditation Body is required to adhere to the International Standard (FDIS) ISO/IEC 17011:2017 – Conformity Assessment – Requirements for Accreditation Bodies Accrediting Conformity Assessment Bodies whereby Clause 4.6.2 states that “The accreditation body shall ensure that any guidance, application or normative documents it uses have been developed by committee or persons possessing the necessary competence and with participation of appropriate interested parties. These documents shall not contradict or exclude any of the requirements included in the relevant international standard and/or other normative documents.” Thus, transfer of non-accredited certificate to accredited CB (IAF MD 2:2017) and Stage 1 exemption no longer allowed.
 - When a CB's accreditation is suspended, withdrawn or terminated, all certificates issued by that ACB remain valid until whichever comes first, within 6 months from the date the accreditation was revoked or the next surveillance audit. Suspended ACBs will only be allowed to conduct annual surveillance audits but not permitted to undertake initial certification audits or recertification audits.

NOTE:

1. For certified entity that previously engaged an applicant CB that has yet to be accredited, please select an accredited CB for the next upcoming audit.
2. To support Standards Malaysia's accreditation schemes, the Government offers tax incentives in the form of tax deductions. The tax deduction is applicable for all programmes operated by Standards Malaysia under its various accreditation schemes. Refer to Department of Standards Malaysia website <http://www.jsm.gov.my/tax-benefits> for further details.

9. Notification of Accredited Certification Bodies

- 9.1 MPOCC only recognizes certificates issued by accredited CBs within the scope of the CB's accreditation (accredited certification). For this purpose, accredited CBs carrying out certification shall be notified by MPOCC.
- 9.2 The notification procedure is specified in the scheme document Procedure for Notification of Certification Bodies Operating Oil Palm Management or Supply Chain Certification dated 4 April 2017 *or its replacement*.

10. Use of Logo by Certificate Holders

- 10.1 The document entitled Issuance of MSPO Logo Usage License by MPOCC dated 4 April 2017 *or its replacement* under the MSPO Certification Scheme sets out the rules and guidelines for the use of the MSPO Logo and its related claims by holders of certificates issued by accredited CBs that are notified by MPOCC.

11. Dispute Resolution Procedure

- 11.1 In order to deal with disputes which may arise in connection with its role as the scheme owner of the MSPO Certification Scheme, MPOCC has set out the Dispute Resolution Procedure.
- 11.2 The types of disputes that can be submitted to the MPOCC include:
- (i) Disputes involving MPOCC as a result of decisions and/or activities of MPOCC as the scheme owner which has overall responsibility for the implementation of the MSPO Certification Scheme; and
 - (ii) Disputes not involving MPOCC.
- 11.3 The disputes involving MPOCC would be activities related to the notification of the accredited CBs and the issuance of the logo usage licenses for the MSPO Logo to the holders of certificates issued by the CBs, and MPOCC's role in supporting and coordinating the standard setting process.
- 11.4 In addition, such disputes may involve other aspects of the MSPO Certification Scheme which do not come under the purview of the accredited CB or the AB, and thus may need to be referred to MPOCC for a resolution.

- 11.5 Disputes relating to the decisions and activities of a certified entity, an accredited CB or an AB shall be dealt with by the dispute resolution procedures of the relevant accredited CB, AB, or by the IAF respectively.

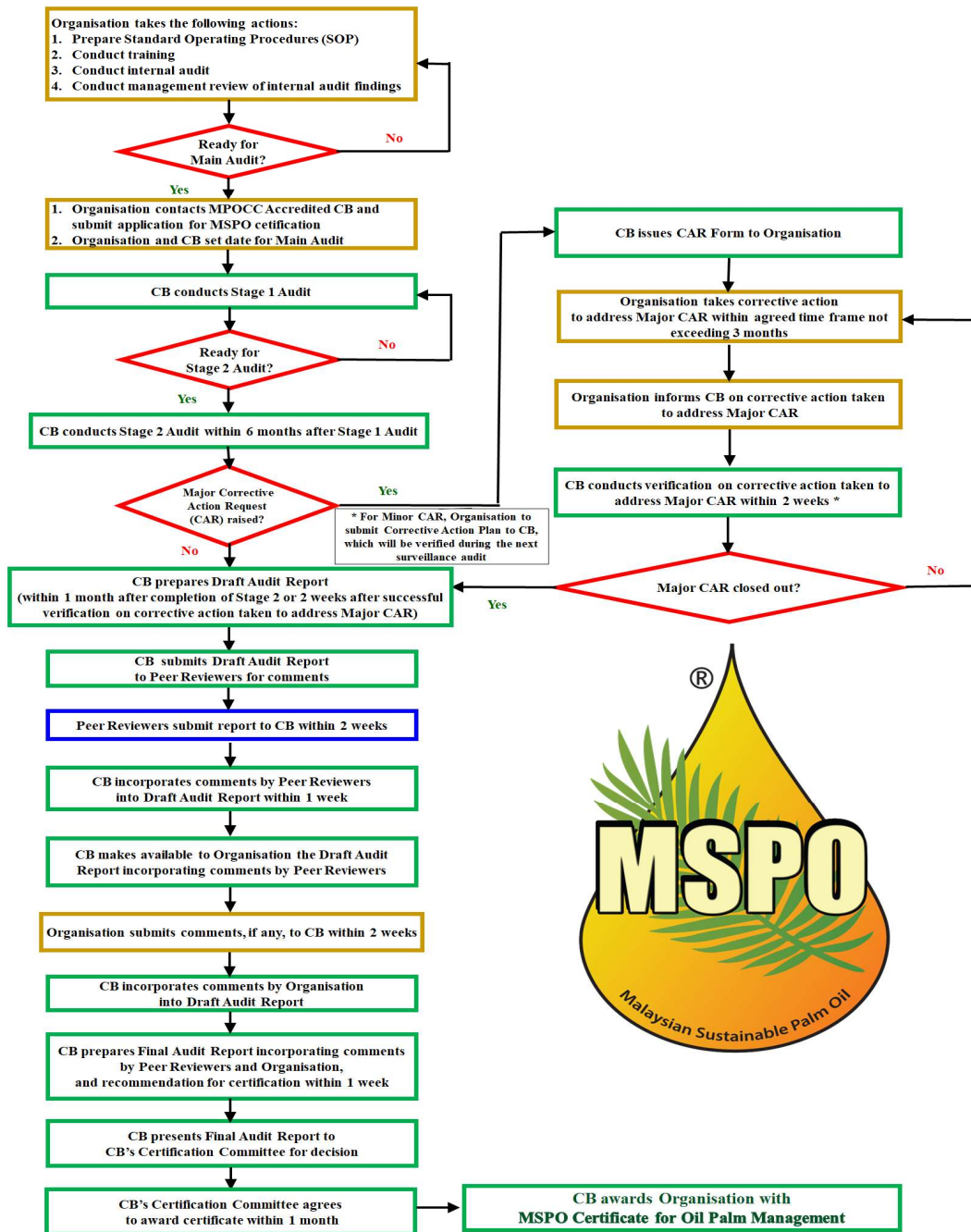
12. Implementation of Changes to MSPO Certification Scheme

Periodic changes to specific aspects of the MSPO Certification Scheme may be necessary in line with the need for continuous improvement. When such changes are made to the MSPO Certification Scheme, a transition period, not exceeding 12 months, will be allowed for all new certification and re-certification. For certificate issued before the end of the transition period, the changes will have to be implemented by the time of the next surveillance audit of the certificate holder.

*** End of document ***

Appendix 1a

MALAYSIAN SUSTAINABLE PALM OIL (MSPO) CERTIFICATION SCHEME OIL PALM MANAGEMENT CERTIFICATION PROCESS



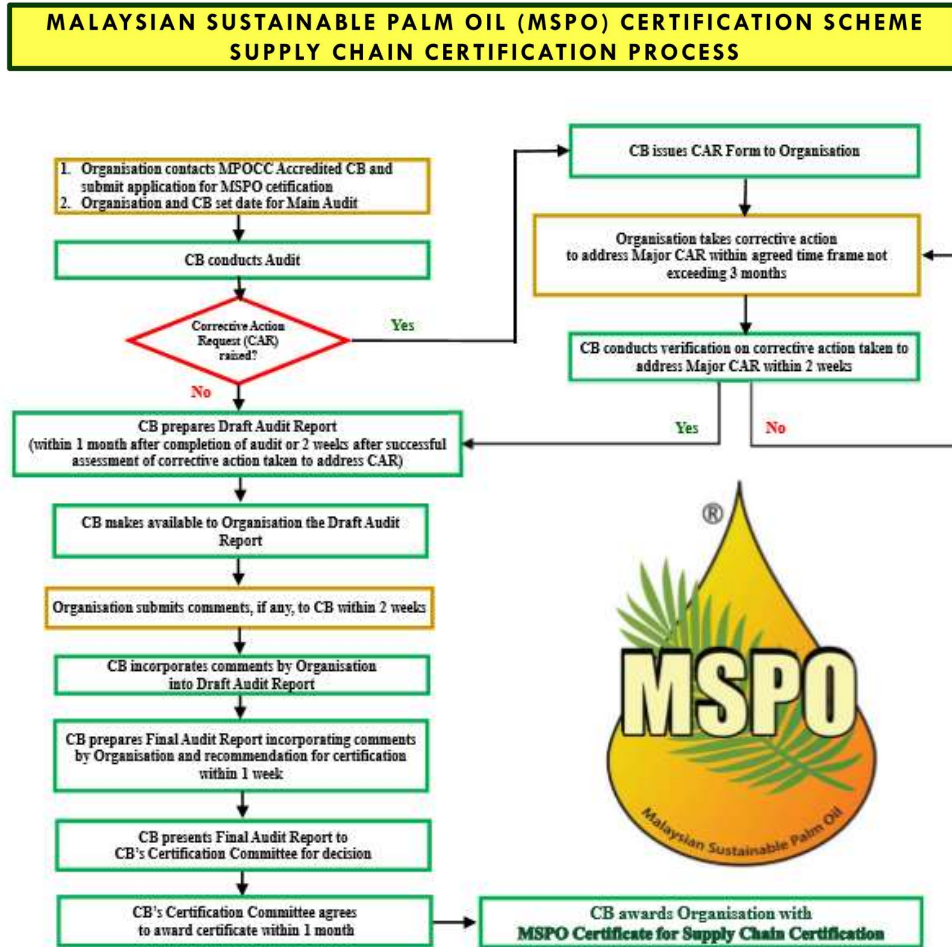
Note 1: Certificate issued is valid for 5 years, with annual surveillance audits

Note 2: CB makes available a public summary of the Final Audit Report

Note 3: To use the Certification Logo, the certified organisation applies to MPOCC for Logo Usage License and signs a Logo Usage License Agreement with MPOCC



Appendix 1b



Note 1: Certificate issued is valid for 5 years, with annual surveillance audits

Note 2: To use the Certification Logo, the certified organisation applies to MPOCC for Logo Usage License and signs a Logo Usage License Agreement with MPOCC

Legend:



Action by Organisation



Action by CB

Appendix 2a – MSPO Certificate Template information



The items that are required on the MSPO certificate are as follow: -

1. Certificate number
2. MPOB License No
Note: In annex for group certification and multi-site
3. CB's Logo, Name and Address
4. MSPO Logo
Note: Only allowed for Accredited CB
5. DSM Logo
Note: Only allowed for Accredited CB
6. CB's name
7. Name, address and GPS Coordinates of Certified Entity
8. Certification Standard
9. Certification Scope
Note: Including Type of Processing facility, Supply Chain Model for MSPO SCCS Standard, Mill capacity as per MPOB license for MSPO Part 4
10. Certification date, Expiry date of certification and First Issuance Date of Certificate
11. Authorization of CB's Director

Note:

1. Group certification for MS2530 is allowed to have a listing of its certified members as an annex.
2. Different certificate template for each scope of certification.

Sample Certificate Template – Part 2 (Page 1 of 2)

MSPO PART 2	1 CERTIFICATE NUMBER
CERTIFICATE FOR MALAYSIAN SUSTAINABLE PALM OIL	
(NAME OF CB) hereby certifies that	3 CB LOGO
(NAME OF CERTIFIED SPOC)	4 
(NAME & ADDRESS OF SPOC MANAGER)	5 
made up of independent smallholders as listed in the Annex attached herewith has complied with the requirements specified in the	
MS2530-2:2013 GENERAL PRINCIPLES FOR INDEPENDENT SMALLHOLDERS	8
SCOPE: Production of Sustainable Fresh Fruit Bunches from _____ha total oil palm planted area _____ha total certified area	9
(NAME OF CERTIFIED SPOC)	
VALIDITY PERIOD: This certificate is valid from (dd/mm/yy) to (dd/mm/yy) Issue 1: certified since (dd/mm/yy)	10
Authorised by: SIGNATURE & NAME OF CB's PERSONNEL	11



Sample Certificate Template – Part 2 (Page 2 of 2)

(NAME OF CERTIFIED SPOC)

(NAME, ADDRESS & OF SPOC MANAGER)

No	Smallholder		Location of Planted Area (District)	GPS Coordinates	Certified Area (ha)	Planted Area (Ha)
	Name	MPOB License No				
1		2				
2						
3						
4..						

Sample Certificate Template – Part 3 (Page 1 of 2)



MSPO PART 3	1 CERTIFICATE NUMBER
	2 MPOB LICENSE NUMBER
CERTIFICATE FOR MALAYSIAN SUSTAINABLE PALM OIL	
(NAME OF CB) hereby certifies that	3 CB LOGO
(NAME & ADDRESS & GPS Coordinates of certified plantation)	4 
has complied with the requirements specified in the	5 
MS2530-3:2013 GENERAL PRINCIPLES FOR OIL PALM PLANTATIONS AND ORGANISED SMALLHOLDERS	
under the MSPO Certification Scheme	
SCOPE: Production of Sustainable Fresh Fruit Bunches from _____ha total oil palm planted area _____ha total certified area	9
VALIDITY PERIOD: This certificate is valid from (dd/mm/vv) to (dd/mm/vv) Issue 1: certified since (dd/mm/vv)	10
Authorised by: SIGNATURE & NAME OF CB's PERSONNEL	11

Sample Certificate Template – Part 3 (Page 2 of 2)

Annex to (certificate number)

No	Name of Estates	Location of Planted Area (District)	GPS Coordinates	Certified Area (ha)	Planted Area (Ha)
1					
2					
3					
4..					

Sample Certificate Template – Part 4 (Page 1 of 2)

MSPO PART 4	1 CERTIFICATE NUMBER
	2 MPOB LICENSE NUMBER
CERTIFICATE FOR MALAYSIAN SUSTAINABLE PALM OIL	
(NAME OF CB) hereby certifies that	3 CB LOGO
(NAME , ADDRESS & GPS Coordinates of certified processing facility)	4 
has complied with the requirements specified in the	
MS2530-4:2013 GENERAL PRINCIPLES FOR PALM OIL MILLS	8
under the MSPO Certification Scheme	5 
SCOPE: Sustainable management of palm oil mill with _____MT/hr	9
VALIDITY PERIOD: This certificate is valid from (dd/mm/vv) to (dd/mm/vv) Issue 1: certified since (dd/mm/vv)	10
Authorised by: SIGNATURE & NAME OF CB's PERSONNEL	11

Sample Certificate Template – Part 4 (Page 2 of 2)

Annex to (certificate number)

No.	Name of Unit	MPOB License No	Location	GPS Coordinates	Mill capacity
1					
2					
3					
4.					

Sample Certificate Template – Supply Chain Certification

MSPO SCCS	1 CERTIFICATE NUMBER
	2 MPOB LICENSE NUMBER
CERTIFICATE FOR MALAYSIAN SUSTAINABLE PALM OIL	
(NAME OF CB) hereby certifies that	3 CB LOGO
(Name, address & GPS Coordinates of certified processing facility)	4
has complied with the requirements specified in the	5
MALAYSIAN SUSTAINABLE PALM OIL SUPPLY CHAIN CERTIFICATION STANDARD (MSPO SCCS)	6
under the MSPO Certification Scheme	7
SCOPE: (Including Type of Processing facility & Supply Chain Model)	8
VALIDITY PERIOD: This certificate is valid from (dd/mm/vv) to (dd/mm/vv) Issue 1: certified since (dd/mm/vv)	9
	10
Authorised by: SIGNATURE & NAME OF CB's PERSONNEL	11

Appendix 2b – MSPO Certification Summary Report Template

SCOPE OF CONTENTS FOR MSPO PUBLIC SUMMARY AUDIT REPORT FOR OIL PALM MANAGEMENT CERTIFICATION

- 1 Detail of Certification Assessment
 - 1.1 Type of certification assessment
(main audit / annual surveillance audit / re-certification audit)
 - 1.2 Scope of MSPO certification
(Refer MSPO Scheme Document, MSPOCS 1/2018, published 1 June 2018, Page 12)
 - 1.3 MSPO Standards used for the assessment
(Specify MS2530-2:2013 / MS2530- 3:2013 / MS2530-4:2013)
 - 1.4 Map showing geographical location, with close-up of the certified entity
(mill / estate / SPOC / smallholding) with geographical coordinate
- 2 Details of the certified entity (mill / estate / SPOC / smallholding)
 - 2.1 Name of certified entity
 - 2.2 Main address of the certified entity
 - 2.3 Management and contact person's details (Name, tel., email)
 - 2.4 MPOB License No, Scope of activity, Expiry date
 - 2.5 Certified area* and planted area**
 - 2.6 Estate / SPOC / smallholding - Estimated tonnages of annual FFB production
 - 2.7 Mill - Estimated certified palm oil (CSPO) and certified palm kernel (CSPK), and processing capacity
 - 2.8 Date of certificate issued and validity
 - 2.9 Other sustainability certifications
- 3 Assessment Process
 - 3.1 Certification body
 - 3.1.1 Audit team members
(Full name, role, qualification/education, working experience)
 - 3.2 Audit Plan
 - 3.2.1 Audit dates, site(s) visited, total number of man-days spent on site(s) based on sampling formula (for group certification)
Audit dates, site(s) visited, total number of man-days spent on site(s) based on sampling formula (for group certification)
 - 3.3 Proposed dates of next surveillance audit and information on certified entities to be audited in five years cycle.

4 Summary of Audit Results

- 4.1 Lead auditor's summary and recommendation for certification
- 4.2 Total number of:
 - 4.2.1 non-conformities and status
 - 4.2.2 corrective action
 - 4.2.3 Opportunities for Improvement (OFI)
 - 4.2.4 issues raised during stakeholder consultation
 - 4.2.5 responses by certified entities

(Details of the non-conformities, root cause, objective evidence, corrective action, OFI, stakeholder consultation and certified entities responses is not required)

5 Official Sign-off of the assessment findings

*Certified area – Area within unit which may include planted area, mill, housing, roads, conservation etc.

**Planted Area – area planted with oil palm (mature and immature)