



MSPO CERTIFICATION SCHEME DOCUMENT

*Chain of Custody of Oil Palm Biomass
(Addendum to Certification Scheme Document 2023)*

Malaysian Palm Oil Certification Council

Unit 2-1, Level 2, Tower 2B,
UOA Business Park, No 1,
Jalan Pengaturcara U1/51A
Seksyen U1, 40150, Shah Alam,
Selangor, Malaysia.

Tel: 03-5569 9676, Fax: 03-5567 9943

Email: info@mpocc.org.my

Approved by : MPOCC Board of Trustees (BOT)
Publication date : 1 February 2024

Date : 26 January 2024

TABLE OF CONTENTS

Acronyms
Definitions

MSPO Chain of Custody of Oil Palm Biomass

- 6.1 General Requirements
- 6.2 MSPO Biomass Sources
- 6.3 Product Category
- 6.4 Accreditation Scope
- 6.5 Additional and/or Specific Competency Criteria for Auditors
- 6.6 Scope of MSPO Chain of Custody (CoC) of Oil Palm Biomass Certification
- 6.7 Audit Duration

ACRONYMS

AB	Accreditation Body
ACB	Accredited Certification Body
BSCI	Business Social Compliance Initiative
CB	Certification Body (Applicant OR Non-Accredited status)
DRC	Dispute Resolution Committee
DSM	Department of Standards Malaysia
FELCRA	Federal Land Consolidation and Rehabilitation Authority, Malaysia
FELDA	Federal Land Development Authority, Malaysia
FFB	Fresh Fruit Bunch
FSC	Forest Stewardship Council
GHG	Green House Gas
HCV	High Conservation Value
HQ	Head Quarter OR Office
IAF	International Accreditation Forum
IAF MD	International Accreditation Forum – Mandatory Document
ICS	Internal Control System
ICT	Information and Communication Technology
ISO/IEC	International Organisation for Standardisation/International Electrotechnical Commission
KESEDAR	South Kelantan Development Authority, Malaysia
KPK	Ministry of Plantation and Commodities
LKTS	Lembaga Kemajuan Tanah Sarawak
MB	Mass Balance
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MS	Malaysian Standard
MSPO	Malaysian Sustainable Palm Oil
MU	Management Unit
NC	Non-Conformity
NGO	Non-Government Organisation
OFI	Opportunity For Improvement
PEFC	Programme for the Endorsement of Forest Certification
PKEINPK	Perak Islamic Economic Development Corporation
RISDA	Rubber Industry Smallholders Development Authority, Malaysia
SALCRA	Sarawak Land Consolidation and Rehabilitation Authority, Malaysia
SG	Segregation
SLDB	Sabah Land Development Board, Malaysia
SMETA	Sedex Members Ethical Trade Audit
SPOC	Sustainable Palm Oil Cluster

Definitions of terms used in this document are listed below:

Accreditation Body (AB)	The organisation that undertakes the accreditation of Certification Bodies.
Accredited Certification Body (ACB)	Certification Body that has obtained accreditation by the Accreditation Body to undertake the MSPO certification assessment and issues a certificate.
Applicant Certification Body (CB)	Certification Body that has submitted application for MSPO Certification Scheme accreditation with Accreditation Body.
Audit	A systematic, independent, and documented process for obtaining objective evidence and evaluating it objectively to determine the conformity with the requirements of a standard and other normative document by a management unit.
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 and other normative document. MSPO certificate of conformance validity will be 5 years which subject to annual surveillance audits.
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, organisational, 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.
Correction	Action to eliminate a detected nonconformity.
Corrective action	Action to eliminate the cause of a nonconformity and to prevent recurrence.
Group manager	Can be an individual OR organisation who is formally appointed and responsible for the overall certification management of the group members
Independent smallholder	Independent smallholders are individual farmers who own or lease less than 40.46 hectares of an oil palm smallholding and manage the smallholding themselves. Independent smallholders or lessees may employ workers to carry out daily work at their smallholdings.
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. Initial certification audit is completed in two stages: Stage 1 and Stage 2. Stage 1 audit is to determine an organisation's readiness for their Stage 2 certification audit.
Integrity audit	An audit conducted by the scheme owner or its appointed technical expert to monitor the ACBs MSPO Certification audit activities based on random sampling or risk-based assessment.
Internal Control System (ICS)	Internal Control System is a method to define the operating structure, decision making and responsibilities within the group which also includes the policies and procedures for the implementation of the MSPO Certification requirements.
Liquid biomass	Oil palm biomass in liquid state such as liquid from oil palm trunk (OPT) and residual oils from palm oil mill effluent, empty fruit bunches and mesocarp fibre. NOTE: Example of liquid biomass product are oil palm trunk (OPT) sap, sludge palm oil, palm fibre oil and high acid oil.

Management unit	Unit of certification (individual or group).
Mass Balance	The Mass Balance (MB) Model administratively monitors the trade of MSPO certified oil palm biomass throughout the entire CoC. MB can only be operated at organisation levels (mass balance claims cannot be transferred from site to site administratively). The MB Model allows for mixing of MSPO and non-MSPO certified oil palm biomass at any stage in the CoC provided that overall site quantities are controlled.
Non-mandatory MSPO standards	Refers to MSPO standards other than MS2530 series (e.g., MS2751:2022 Chain of Custody of Oil Palm Biomass, etc.)
Oil palm biomass	Any biomass material obtained directly from oil palm wholly or partly manufactured or recovered thereafter. NOTE: These materials include feedstock and product and can be categorised into liquid or solid forms dependent on the biomass source.
Organisation	Company, corporation, firm, enterprise, authority or institution, person or persons or part or combination thereof, whether incorporated or not, public, or private, that has its own functions and administration. NOTE: In accordance with clause 3 of ISO 30000.
Organised smallholder	Organised smallholders are individual farmers who own, or lease less than 40.46 hectares of an oil palm smallholding and the holdings managed by government agencies such as FELDA, FELCRA, RISDA, SALCRA, SLDB, PKEINPK, LKTS, KESEDAR and other organisations.
Plantation	The land containing oil palm and associated land uses such as infrastructure (e.g., roads), riparian zones and conservation set asides (40.46 hectares and above).
Processing facilities	Processing facilities are such as palm oil mill, refineries, kernel crushers, biodiesel plants, product manufacturers using oil palm-based products as ingredient, etc.
Remote audit	Auditing process by which ACBs gather information without the need to be physically present (off-site).
Re-certification audit	A re-certification audit occurs every five (5) years from when the original certification audit cycle is completed.
Satellite office	Satellite office refers to a small or branch office to represent a group management office to fulfil the certification requirements of group certification rules.
Segregation	The Segregation (SG) Model requires that MSPO certified oil palm biomass originates from MSPO SG certified sources. It permits the mixing of certified oil palm biomass from a variety of MSPO SG certified sources.

Solid biomass	<p>Oil palm biomass in solid states such as palm kernel shell and oil palm fibre (mesocarp and empty fruit bunches) from the palm oil milling process, and oil palm fronds and oil palm trunks from plantation activities (pruning and during replanting).</p> <p>NOTE: Example of solid biomass products are oil palm frond fibre, oil palm trunk fibre, empty fruit bunch fibre, mesocarp fibre, palm kernel shell, decanter cake, and palm oil mill effluent sludge. Bio-pellets, briquettes etc are end products from oil palm biomass.</p>
Special audit	An audit conducted by the scheme owner, or its appointed technical expert based on instructions of the MPOCC Board of Trustees or the Dispute Resolution Committee. Special audits are usually conducted to verify complaints, grievances, issues, or news articles against the applicable MSPO standard and scheme document requirement.
Sub-district	Sub-district is a subdivision of a district which in Peninsular Malaysia it is known as 'Mukim', whereas in Sabah and Sarawak, a sub-district is known as 'Bahagian' or 'Daerah Kecil'.
Supply-chain	The series of steps through which biomass products are transferred from the smallholders/plantations/mills to the end users.
Surveillance audits	Annual systematic repetition of conformity assessment activities as a basis for maintaining the validity of MSPO certification. Four (4) annual surveillance audits to be undertaken within one (1) certification cycle.
Traceability	The ability to identify and trace the origin, distribution, location, and application of oil palm biomass through CoC, which starts from oil palm plantations or processing facilities.

6. MSPO CHAIN OF CUSTODY OF OIL PALM BIOMASS

This document specifies the requirements for MSPO Chain of Custody (CoC) of Oil Palm Biomass standard that organisations will use to demonstrate their commitment to traceability and sourcing of MSPO certified materials.

Applicant for MSPO certification, Certificate Holders, ACBs and CBs shall fulfil all the requirements stipulated in the MSPO Chain of Custody (CoC) Oil Palm Biomass scheme document together with the MSPO Certification Scheme document 2023 (Date of Approval: 5th January 2023).

6.1 GENERAL REQUIREMENTS

6.1.1 MSPO Chain of Custody (CoC) of Oil Palm Biomass certification covers the elements to meet the requirements of the sustainability aspect through the control process below:

- i. Fulfilment of the sustainability aspects required in MS2751:2022 Malaysian Sustainable Palm Oil (MSPO) Chain of Custody of Oil Palm Biomass:
 - a) Sustainability requirement including commitment and responsibility for social, safety and health, environmental and productivity of oil palm biomass production,
 - b) Requirement for traceability,
 - c) GHG emission.
- ii. Control of supply chain activities to ensure the integrity of the products produced can meet the expectations of stakeholders.

6.2 MSPO BIOMASS SOURCES

MS2530:2022 Series	Description
MSPO 2530:2022 Part 2-1 Independent Smallholders (less than 40.46 hectares)	Supplier of raw materials to biomass producers in the form of solid biomass. All operating units must have a valid MSPO certificate to qualify their products to meet the requirements set for the biomass certification process.
MSPO 2530:2022 Part 2-2 Organised Smallholders (less than 40.46 hectares)	Supplier of raw materials to biomass producers in the form of solid biomass. All operating units must have a valid MSPO certificate to qualify their products to meet the requirements set for the biomass certification process.
MSPO 2530:2022 Part 3-1 Oil Palm Plantations (40.46 hectares to 500 hectares)	Supplier of raw materials to biomass producers in the form of solid biomass. All operating units must have a valid MSPO certificate to qualify their products to meet the requirements set for the biomass certification process.
MSPO 2530:2022 Part 3-2 Oil Palm Plantations (more than 500 hectares)	Supplier of raw materials to biomass producers in the form of solid biomass. All operating units must have a valid MSPO certificate to qualify their products to meet the requirements set for the biomass certification process.
MSPO 2530:2022 Part 4-1 Palm Oil Mill	Supplier of raw materials to biomass producers in the form of solid biomass and liquid biomass. All operating units must have a valid MSPO certificate to qualify their products to meet the requirements set for the biomass certification process.

MS2530:2022 Series	Description
MSPO 2530:2022 Part 4-2 Palm Oil Processing Facilities	Supplier of raw materials to biomass producers in the form of solid biomass and liquid biomass. All operating units must have a valid MSPO certificate to qualify their products to meet the requirements set for the biomass certification process.
MSPO 2530:2022 Part 4-3 Dealers	Supplier of raw materials to biomass producers in the form of solid biomass. All operating units must have a valid MSPO certificate to qualify their products to meet the requirements set for the biomass certification process.
MSPO MS 2751:2022 Chain of Custody of Oil Palm Biomass	Oil palm biomass producer which received raw materials sourced from MSPO certified plantations and palm oil mills. Oil palm biomass (feedstock and product) in this standard is limited to solid biomass and liquid biomass.

6.3 PRODUCT CATEGORY

Name of Product	Product Categories	Origin / Generator
Oil Palm Fronds (OPF)	Oil Palm Fronds Chip & Oil Palm Fronds Fiber	Plantation/Estates
Oil Palm Trunk (OPT)	Oil Palm Trunk Chip & Oil Palm Trunk Fiber	Plantation/Estates
Fresh Fruit Branches (FFB)	Oil Palm Mesocarp Fiber (OPMF)	Palm Oil Mill
	Oil Palm Kernel Shell (OPKS)	
	Empty Fruit Bunch Fiber	
Palm Oil Mill Effluent (POME)	POME Sludge	Palm Oil Mill

6.4 ACCREDITATION SCOPE

Local and international Certification Bodies that are interested and are applying to operate under the MS2751:2022 Malaysian Sustainable Palm Oil (MSPO) Chain of Custody of Oil Palm Biomass shall have a valid accreditation issued in compliance with ISO/IEC 17065 - (Conformity assessment - Requirements for bodies certifying products, processes, and services).

6.5 ADDITIONAL AND/OR SPECIFIC COMPETENCY CRITERIA FOR AUDITORS

Auditors engaged by Certification Body (CB) shall have the capacity to apply terminology, knowledge, understanding and skills in the following areas of the Malaysian Sustainable Palm Oil MSPO Chain of Custody (CoC) of Oil Palm Biomass and other equivalent standard but not limited to:

- a) Requirements of the MSPO Chain of Custody of Oil Palm Biomass and its related requirements under the Malaysian Sustainable Palm Oil (MSPO) Certification Scheme,
- b) Products, processes, method, techniques, and practices in the specific sector, applied raw material flow, monitoring, measurements and control processes,
- c) Application of management systems to palm based and related industries and interaction between their components,
- d) Information systems and technology for authorisation, security, distribution and control of documents, data, and records,
- e) Product labels, claims, related law, and legal requirements,
- f) Application of measures to avoid procurement of raw material from non-certified sources including risk assessment methodology and indicators.

AUDITOR

i. Education:

- Post-secondary education, college or university diploma OR degree in one of the following: Agriculture; Forestry; Science & Technology (e.g., Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences); Engineering, Process Technology; Energy Management, Quality Management; Social Sciences and/or Anthropology; Safety and Health; Business Management; Botany, Bioresources, Ecology, Sociology or other relevant fields.

ii. Work experience:

- Post-Secondary education: At least five (5) years of work experience in the oil palm sector OR seven (7) years in other relevant field (e.g., social, environment, occupational health and safety, and quality) OR five (5) years auditing experience in relevant accredited certification systems (e.g., Responsible Business Alliance (RBA), Programme for the Endorsement of Forest Certification (PEFC), Forest Stewardship Council (FSC), social, environment, occupational health and safety, and quality).
- Tertiary education: At least three (3) years of work experience in the oil palm sector OR five (5) years in other relevant field (e.g., social, environment, occupational health and safety, and quality) OR three (3) years auditing experience in relevant accredited certification systems (e.g., Responsible Business Alliance (RBA), Programme for the Endorsement of Forest Certification (PEFC), Forest Stewardship Council (FSC), social, environment, occupational health and safety, and quality).

iii. Training:

- Successfully completed the scheme owner endorsed MSPO CoC of Oil Palm Biomass standard training AND
- Successfully completed the scheme owner endorsed lead auditor MS2530:2022 standard series training (5 days) AND
- Undergone 40 hours of lead auditor course in Quality Management Systems (QMS) AND one of the following: Environmental Management Systems (EMS); Occupational, Health and Safety Management Systems (OH & SMS); OR Lead Auditor for Integrated Management System (IMS) would be an added advantage.

iv. Auditing experience:

- Conducted at least three (3) MSPO SCCS or equivalent sustainability Supply Chain/CoC certification audits OR a minimum of fifteen (15) man-days, whichever with more man-days, as an auditor-in-training under the direction and guidance of a qualified lead auditor for MSPO.
- Maintenance - Conducted a minimum of two (2) different on-site MSPO Biomass Certification audits annually as auditor or lead auditor.

6.6 SCOPE OF MSPO CHAIN OF CUSTODY (CoC) OF OIL PALM BIOMASS CERTIFICATION

Scope of Certification	Description
Individual Certification	This category applies to all actors along the oil palm biomass Chain of Custody (CoC).

6.7 AUDIT DURATION

6.7.1 Recommended minimum on-site audit durations (man-days) for Individual Certification

Entity	Initial		Surveillance	Recertification
	Stage 1	Stage 2		
All actors along the oil palm biomass CoC	N/A	2	2	2

NOTE: The above shows the number of man-days required for the certification of individual entity. ONE (1) man-day shall be allocated to audit the Internal Control System (ICS) at the central office.

Appendix 1

MSPO CERTIFICATION AUDIT PUBLIC SUMMARY REPORT TEMPLATE

CONTENTS

- 1 Detail of Certification Assessment
 - 1.1 Type of certification assessment
(main audit OR annual surveillance audit OR re-certification audit)
 - 1.2 Scope of MSPO certification
 - 1.3 MSPO Standards used for the assessment
 - 1.4 Boundary map showing geographical location, with close-up of the management unit with geographical coordinate

- 2 Details of the management unit
 - 2.1 Name of management unit
 - 2.2 Site address of the management unit
 - 2.3 Management and contact person's details (name, telephone number, email address)
 - 2.4 MPOB license no.(business registration no. for oversea entities), scope of activity, expiry date
 - 2.5 Summary of total production in metric tonne (Mt) (annual refer to the company's financial year)
Estimated and actual tonnages of annual oil palm biomass raw material received (input) OR processed and production (output)
 - 2.6 Date of certificate issuance and validity
 - 2.7 Other sustainability certifications held by the management unit

- 3 Assessment Process
 - 3.1 Certification body
 - 3.1.1 Audit team members
(full name, role, qualification OR 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 multisite certification)
 - 3.3 Audit programme
 - 3.3.1 Proposed dates of next surveillance audit and information on management units to be audited
in five years cycle

- 4 Summary of Audit Results
 - 4.1 Audit findings against all the applicable MSPO Standard Principles, Criteria and Indicators
 - 4.2 Lead auditor's summary and recommendation for certification
 - 4.3 Details of:
 - 4.3.1 Major and minor non-conformities and status including correction, root cause analysis and corrective action
 - 4.3.2 Opportunities for Improvement (OFI)
 - 4.3. Issues raised during stakeholder consultation, responses by certified entities and auditors' conclusion

- 5 Official acknowledgement of the assessment findings:
 - 5.1 Signature and date by the Lead Auditor
 - 5.2 Signature and date by the management unit representative(s)

Appendix 2

MSPO CERTIFICATE TEMPLATE INFORMATION

CONTENTS

MSPO certificate issued by the ACB shall contain the following minimum information:

1. Certification standard and Certification scope (Individual)
2. Certificate number
3. MPOB license no. (business registration no. for oversea entities)
4. CB's logo
5. MSPO logo
NOTE: Only allowed for Accredited CB
6. DSM logo
NOTE: Only allowed for Accredited CB
7. CB's name
8. Company name and company address
9. GPS coordinates of management unit
10. Certification scope
NOTE: The type of processing facility & supply chain model must be included
11. Certification date, expiry date of certification and the date of the first issuance of the certificate
12. Authorisation by the CB's director

Acknowledgment

Members of the Interest Group (IG) on MSPO Certification Scheme Document 2023 for Chain of Custody (CoC) of Oil Palm Biomass:

Mr. Simon Selvaraj (Chairperson)	Malaysian Palm Oil Certification Council
Ms. Nazihah Jamaludin/ Ms. Nur Athirah Abdul Rahman	Ministry of Plantation and Commodities
Ms. Shreen Xaviar	Malaysian Palm Oil Association
Ms. Rozanna Rosdin	Malaysian Palm Oil Board
Mr. Benardos Anak Bingkang	Department of Standards Malaysia
Mr. A. Fadzli Abdul Aziz/ Mr. Md. Saiful Md. Hussin	The Palm Oil Refiners Association of Malaysia
Dr. David Lim Lian Keong	Palm Oil Millers Association of Malaysia
Mr. Muhammad Haris Abdullah/ Ms. Sarah Nasiha Kormin/ Mr. Darmarisyanto Alias (Secretariat)	Malaysian Palm Oil Certification Council

Technical advisors from the Biomass Technology Unit of Malaysian Palm Oil Board (MPOB):

Ms. Noorshamsiana Binti Abdul Wahab
Dr. Elina Binti Hishamuddin
Ts. Dr. Nahrul Hayawin Bt Zainal
Mr. Zawawi Bin Ibrahim



**MSPO
CERTIFICATION
SCHEME
DOCUMENT**
CHAIN OF CUSTODY
OF OIL PALM BIOMASS

