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	<b>MR3-G03</b>	<b>VERSION:</b> 02

## **GUIDELINES FOR CERTIFICATION OF MALAYSIAN SUSTAINABLE PALM OIL (MSPO)**

### **1. INTRODUCTION**


This guideline has been prepared to provide guidance to organizations that are interested in obtaining MSPO certification from MR3 Certification International Sdn Bhd (known as “MR3”) to the requirements of the relevant MSPO Certification System Standard.

This guideline is prepared in accordance with MR3 documented procedures on MSPO certification including MSPO Certification System requirements and other related normative documents referred by MSPO standard. Please contact the Certification Manager of MR3 if further clarification is needed with regard to the content of this document.

### **2. CERTIFICATION PROCESS**

The MSPO Certification is carried out in accordance to the policies and procedures established by MR3 based on the requirements of ISO/IEC 17021-1 and ACB MSPO Certification requirements. The step by step processes for MSPO certification are explained as follows:

- Submission of Application Form
- Contract Review and Preparation of Quotation
- Acceptance of Proposal
- Stage 1 Audit
- Stakeholder Consultation
- Stage 2 Audit
- Draft Final Audit Report
- Peer Review
- Final Audit Report
- Approval by the Section Head
- Issuance of Certificate

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## 2.1 **Submission of Application Form**

The applicant completes and submits the Application Form and Self-Assessment to MR3.

## 2.2 **Contract Review and Preparation of Quotation**

MR3 shall review the information given in the Application Form and Self-Assessment by the applicant and based on the information obtained, prepare a quotation on the total cost of certification. Overall certification costs are calculated based on the number of auditor days required to conduct the audit. A quotation will be sent to the applicant for consideration. The quotation provides an estimation of the total cost for certification which includes the professional fees for stage 1 and 2 audits, stakeholder consultation, report writing, peer review and other related incidental costs.

## 2.3 **Acceptance of Proposal**

Upon agreeing to the proposal, the applicant is required to submit the acceptance of quotation to MR3. For MSPO certification, an applicant can be from an individual or a group certification.

Group certification can comprise of a mill and its supply base or group of plantation/smallholders.

For Group certification, the unit of certification shall be the Group manager and group members who have signed a contract and/or agreement with the Group Manager to comply with the relevant MSPO Standard for Sustainable Oil Palm and permits assessments by both the Group Manager and an MSPO registered certification body.

All the FFB from all managed land (or estates) of group members shall be produced to MSPO certifiable standards.

## 2.4 **Stage 1 Audit**

Upon receipt of the acceptance, MR3 will appoint an Audit Team Leader, who will be responsible for the applicant's application. Stage 1 Audit is carried out at site to determine:

- the adequacy of the applicant's documentation
- whether an internal audit management review have been conducted and
- the readiness of the applicant to proceed to Stage 2 Audit

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## 2.5 Stakeholder Notification

Stakeholder consultation shall be carried out during the audit process. MR3 shall notify the stakeholders at least 30 days before the start of the field visit during the audit.

## 2.6 Stage 2 Audit

After the findings of the Stage 1 Audit have been resolved and issues from stakeholders have been identified, the Applicant is required to inform the Audit Team Leader on the readiness to proceed to Stage 2 Audit. It is recommended that all proposed actions to address the issues of concerned identified during Stage 1 audit are submitted to the Audit Team Leader at least one week before the conduct of Stage 2 Audit.

During Stage 2 Audit, the audit team will evaluate the implementation including the effectiveness of the applicant's MSPO system and practices against the requirements of the relevant standard.

## 2.7 Findings from Stage 2 audit

Audit findings of Stage 2 MSPO Certification audit are classified as either major or minor nonconformities.

For major non-conformities, client is required to take corrective action and submit to the Audit Team Leader within 3 months after the last day of stage 2 audit. Failure to do so, the audit team shall conduct another Stage 2 audit prior to recommending certification.


For minor non-conformities, client is required to submit the corrective action plan within 60 days after the last day of stage 2 audit. The minor nonconformity can be closed in the next audit.

## 2.8 Peer Review

The draft final Stage 2 Audit Report will be submitted to two independent peer reviewers appointed by MR3. Peer reviewer shall review the report within 2 weeks. Audit Team Leader shall respond to the comments made by the peer reviewers. All issues shall be resolved before the finalization of the audit report.

## 2.9 Final Report

The final report shall be signed off by the Audit Team Leader and the client.

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#### 2.10 **Approval by Certification Manager**

Certification Manager will decide and approve on the recommendation for MSPO certification.

#### 2.11 **Issuance of Certificate**

An MSPO Certificate shall be issued upon payment of all fees due and signing of the Certification Agreement. The Certificate is valid for 5 years from the date the certification is approved.

#### 2.12 **Public Summary Report**

A public summary of the audit report shall be made available through MR3's website within 30 days after the certification decision.

#### 2.13 **Surveillance Audit/Recertification**

All certified premises including Groups shall be subjected annual surveillance audit. The surveillance audit shall be conducted not more than twelve (12) months from the date of certification decision. Recertification is carried out once every five years prior to the expiry of the certificate.

### **3. CERTIFICATION REQUIREMENTS**

#### 3.1 **Site of Audit**


The applicant shall identify the name and geographical GPS location, (longitude and latitude) of the operating unit, number of supply base, size, type, composition and site condition of the operating unit to be covered under the scope of certification.

#### 3.2 **Audit Criteria**

Audit criteria for certification shall be as follows:

- a) MS2530-2:2013 MSPO Part 2: General principles for independent smallholders
- b) MS2530-3:2013 MSPO Part 3: General principles for oil palm plantations and organized smallholders
- c) MS2530-4:2013 MSPO Part 4: General principles for palm oil mills

In all cases, the latest version of the standards shall be applicable.

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#### 4. APPEALS PROCEDURE

The applicant may file an appeal when he does not agree with the decision of MR3. The appeal shall be in writing and addressed to the Certification Manager within 2 weeks of notification of the decision.

The letter of appeal shall be forwarded to the Appeal Committee appointed by the Managing Director. The appellant shall be notified of the composition of the committee and the date of its proposed hearing.

The appellant shall have the right to object the composition of the panel and to appear before the panel to present his case. Decisions made by the Appeals Panel including the grounds of their decision shall be recorded and the appellant shall be notified in writing.

#### 5. DISPUTES AND COMPLAINT PROCEDURE

Any complaint about MR3 certification services or about organizations certified by MR3 shall be directed to the Certification Manager.

The complainant shall be informed of the receipt of the complaint and will be provided progress report(s) and a report on the outcome of the investigation.

#### 6. WITHDRAWAL/SUSPENSION/TERMINATION

##### 6.1 Withdrawal

Certified organization that wishes to withdraw from the MSPO certification scheme is required to:

- a) write to the Certification Manager informing of its intention
- b) ensure that all advertising matters that contain any reference to the Certificate are discontinued within a reasonable time frame; and
- c) return the Certificate to the Certification Manager

##### 6.2 Suspension/Termination

MR3 has the right to suspend or terminate the certification of an organization under the following circumstances:

- a) the certified organization's MSPO system has persistently or seriously failed to meet the certification requirements;
- b) the certified organization does not allow surveillance or re-certification audits to be conducted at the required frequencies;
- c) the certified organization has voluntarily requested suspension of its certification;

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- d) the certified organization has failed to take corrective actions on non-conformities raised within the specified timeframe;
- e) the certified organization has incorrectly made reference to its certification status or used the Certificate, marks inclusive of certification mark and MSPO trademark or audit reports in a misleading manner; and
- f) the certified organization has infringed the requirements of the certification contract.

In the event of suspension, the certified organization under suspension is required to take the necessary corrective actions within the suspension period. Failure to take corrective actions within the specified period may result in the termination of the Certificate. The suspension or termination or withdrawal of the certificate shall be informed to MR3.

The information related to the certification status of the organization will be made publicly accessible. An organization dissatisfied with the decision on suspension or termination has the right to file a written appeal with the Appeal Committee.


## **7. CHANGES TO THE INFORMATION IN THE CERTIFICATE**

The organization may seek to make changes to details in the certificate. This may include, name of organization, change of address or scope of certification. Request for such changes shall be made in writing.

## **8. CHANGES OF SCOPE**

The conditions necessary for MR3 to change the scope of a certificate shall include the following requirements:

- the change of scope shall not include or result in an extension of the certificate's expiry date beyond the time period for which it was originally issued;
- MR3 shall reserve the right to inspect the site of the certified operations before deciding whether or not to grant a change to the scope of the certificate;
- if MR3 considers that a change in scope is significant in terms of area, management or operational implications then MR3 shall inspect the site before the change of scope is granted;
- if MR3 grants a change of scope, we shall review the wording of the certificate previously issued and if necessary, shall require that the old certificate be returned to MR3 or be destroyed by the client. In that event a new certificate shall be issued with revised wording reflecting the change of scope.

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### 8.1 **Extension of Scope**

Certification Manager will, in response to an application for extension to the scope of a certification already granted, undertake a review of the application and determine any audit activities necessary to decide whether or not the extension may be granted. This may be conducted in conjunction with a surveillance audit.

### 8.2 **Suspending, Withdrawing or Reducing the Scope of Certification**

Certification Manager will suspend certification in cases when, for example,

- a) the client's certified management system has persistently or seriously failed to meet certification requirements, including requirements for the effectiveness of the management system,
- b) the certified client does not allow surveillance or recertification audits to be conducted at the required frequencies, or
- c) the certified client has voluntarily requested a suspension.

Under suspension, the client's management system certification is temporarily invalid. Administration Manager will have enforceable arrangements with its clients to ensure that in case of suspension the client refrains from further promotion of its certification. Certification Manager will make the suspended status of the certification publicly accessible and will take any other measures it deems appropriate.

Failure to resolve the issues that have resulted in the suspension in a time established by MR3, will result in withdrawal or reduction of the scope of certification. Certification Manager will reduce the client's scope of certification to exclude the parts not meeting the requirements, when the client has persistently or seriously failed to meet the certification requirements for those parts of the scope of certification. Any such reduction will be in line with the requirements of the standard used for certification.

## 9. **TRANSFER OF CERTIFICATION**

### 9.1 **Eligibility of a Certification for Transfer**

Only valid accredited certification shall be transferred. Certification which is known to be suspended shall not be accepted for transfer.

In cases where certification has been granted by a certification body which has ceased trading or whose accreditation has expired, been suspended or withdrawn, the transfer shall be completed within 6 months or on expiration of the certification whichever is sooner.

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## 9.2 Request for Transfer

Request for transfer through our website or contact our Certification Manager

## 9.3 Pre-Transfer Review

This generally comprise internal review process of important documents and a visit to prospective client to ensure the existing certification of the prospective client meets the applicable requirement. We receive the documentation and information from the issuing CAB

## 9.4 Prepare a Contract Proposal

Once we understand the organization's requirement, we complete a contract proposal worksheet to prepare a potential audit program.

## 9.5 Approval of Contract Proposal

After the organization has read the contract proposal and wishes to proceed, they simply complete and return the last pages of the documents.

## 9.6 Onboard Process

The application is processed in our system and we convert the prospect to a client. The first step is to notify the current CAB of the imminent transfer and propose a transfer date.

## 9.7 Issue New Certification

If the requirements are fully met, we approve and issue certification to the organization. We also formally communicate this to the issuing CAB and manage all the administrative task around this process. We then maintain the ongoing certification activities as per the audit program.

For any enquiries regarding **request for certification, appeals, disputes or complaints** about MR3 certification services or organizations certified by MR3 are to be directed to the Certification Manager at [hazrul@mr3cert.com](mailto:hazrul@mr3cert.com) or [info@mr3cert.com](mailto:info@mr3cert.com)