



***ASSESSMENT OF MSPO
CERTIFICATION AGAINST THE
REQUIREMENTS OF THE EUROPEAN
UNION DEFORESTATION REGULATION***



INTRODUCTION

Two areas for discussion:

1 Assessment of MSPO
against EUDR

2 My experience implementing
EUDR in the field

FIRST – SOME BROADER CONTEXT

MSPO MUST BE VIEWED OBJECTIVELY

- **EUDR is not the only assessment of whether a certification scheme is of value**
- **MSPO is by any standards a world-class standard for agriculture**
- **The idea of “gaps” only exists when EU over-regulation is the starting point. Otherwise, ‘gaps’ would not really exist.**

PART 1:

ASSESSMENT OF MSPO/EUDR

Assessed the requirements of the EUDR against the MSPO Standards

This included an assessment of

- Standards, e.g. definitions, operational requirements
- Implementation, e.g. certification and accreditation arrangements
- Informational requirements, e.g. certificates, audit summaries

Conformity assessment methodology

- Define the requirements in the EUDR
- Determine the points in the standard that can meet the requirement



WHAT ARE EUDR CORE REQUIREMENTS?

Basic prohibitions under Article 3 of EUDR

DEFORESTATION-FREE

End 2020 cutoff

Forest/deforestation definition

PRODUCED IN ACCORDANCE WITH LOCAL LAWS

Broad requirement covering

tenure, labor, etc.

COVERED BY DUE DILIGENCE STATEMENT

Must be provided

Information to be provided by importers

Due diligence statement (Article 9)

Risk assessment (Article 10)



FINDINGS ON MSPO RE: CORE REQUIREMENTS

▶ Meets EUDR deforestation requirements

- **MS 2530:2022 Criteria 4.1.2.1**

- Blanket prohibition on deforestation and new planting from 2019 plus HCV
- Means that to be certified, operations must meet these requirements

▶ Meets EUDR legality requirements

- **MS 2530:2022 Principle 3**

- Broad requirement on meeting legal obligations under MSPO
- EUDR contains non-exhaustive list
- MSPO audit guidance indicates legal requirements (e.g. land ownership, business registrations) will be checked
- EUDR guidance indicates legality requirements must be **linked to operation**

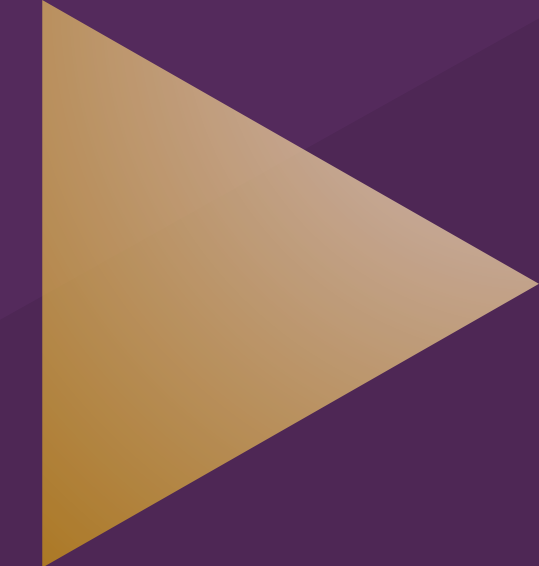
EUDR REQUIREMENTS FOR DUE DILIGENCE

Importers must provide information to EU authorities importing

- product description
- quantity of material
- country of production
- supplier identification
- receiver identification
- conclusive verification of deforestation-free status
- conclusive verification of legal compliance and land rights
- and geolocation.



IS THIS INFORMATION IN MSPO CERTIFICATION?



Description and quantity:	NO – provided in customs and shipping documentation
Country of production:	YES – provided by scope of certification
Supplier identification:	YES – provided by public summary of audit report
Receiver identification:	N/A
Conclusive verification of deforestation free-status:	NO – MSPO certificate / public summary does not contain that information; but meeting this requirement is a pre-requisite of MSPO certification.
Conclusive verification of land rights and legal compliance:	As above
Geolocation:	Pins provided in public summaries; maps (polygons) provided in audit reports



IS MSPO INFORMATION CONCLUSIVE?

- YES -

- ▶ **MSPO has certification and accreditation procedures that adhere to international norms**
 - **MSPO auditors can only be accredited by Standards Malaysia once meeting**
 - ISO/IEC 17021:2015 Requirements for bodies providing audit and certification of management systems
 - ISO/IEC 17065:2012 Requirements for bodies certifying products, processes and services)
 - **Standards Malaysia is a member of the International Accreditation Forum and follows international standards and procedures for accreditation**
 - ISO/IEC 17011:2004 Conformity assessment - General requirements for accreditation bodies accrediting conformity assessment bodies.

- ▶ **These are international and recognised standards, and the information can be considered conclusive and verified by a third party**



PART 2:

IMPLEMENTATION & MY EXPERIENCE

- ▶ **On the ground in African plantations there are serious problems with EUDR**

- ▶ **This is important:
it demonstrates the following –**
 1. EUDR is a significant negative impact on some of the poorest countries and farmers

 2. Malaysia / MSPO are one of the success stories for compliance and should be celebrated as such

IMPLEMENTATION & MY EXPERIENCE

- ▶ **Key concern is traceability in supply chains**
 - Concern across all commodities, not just palm
 - Rubber, timber, coffee consider EUDR currently 'unworkable'
 - EU producers concerned also
- ▶ **Processing, refining and manufacturing make traceability difficult without total segregation**
- ▶ **MSPO Trace module will go some way to mitigating this**
 - PKO may remain problematic



CONCLUSION

- ▶ **MSPO Certification meets deforestation and legality requirements**
- ▶ **Information from certificates and public summaries meet some – but not all – information requirements**
- ▶ **Audit reports contain required information on geolocation**
- ▶ **MSPO accreditation means information can be considered conclusive**
- ▶ **MSPO can therefore in practice be ‘accepted’**
- ▶ **Trading firms may consider an EUDR summary for practical purposes**