

M A L A Y S I A N   S U S T A I N A B L E   P A L M   O I L

# **GREENHOUSE GAS CALCULATOR**

PROCEDURE

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# **Malaysian Sustainable Palm Oil Greenhouse Gas Procedure**

Version 1.0

## 1. INTRODUCTION

The MS 2530:2022 series of standards and MS 2751:2022 were finalised on 27 January 2022 and officially launched on 22 March 2022. Among the key enhancements in the revised standards is the inclusion of Greenhouse Gas (GHG) requirements, which have been embedded in all auditable parts of the standard.

This procedure outlines the application of the MSPO GHG Calculator as required under Clauses 4.5.4.2 and 4.5.4.3 of the MSPO standards. It serves as a guide for MSPO-certified organisations in reporting their GHG emissions in accordance with the standard's requirements. The MSPO GHG Calculator assists certified entities in identifying major sources of emissions, monitoring and tracking GHG performance over time, and supporting the planning and implementation of emission reduction measures.

Serving as a practical reference, this document supports the systematic implementation of GHG requirements under the MSPO certification, facilitating compliance, ensuring consistency, and enhancing understanding of the standard's expectations.

## 2. APPLICABILITY OF THE MSPO GHG CALCULATOR

- 2.1 The MSPO GHG Calculator shall be applied in accordance with the requirements specified under Criteria 4.5.4.2 and 4.5.4.3 of the applicable auditable standards below:
  - 2.1.1 MS 2530-3-1:2022 MSPO Part 3-1 General Principles for Oil Palm Plantations (40.46 hectares to 500 hectares)
  - 2.1.2 MS 2530-3-2:2022 MSPO Part 3-2 General Principles for Oil Palm Plantations (more than 500 hectares)
  - 2.1.3 MS 2530-4-1:2022 MSPO Part 4-1 General Principles for Palm Oil Mill Including Supply Chain Requirements
  - 2.1.4 MS 2530-4-2:2022 MSPO Part 4-2 General Principles for Palm Oil Processing Facilities Including Supply Chain Requirements
- 2.2 To support the objective of introducing GHG requirements to MSPO-certified entities, the scope of GHG assessment under the MSPO framework will be limited to Scope 1 and Scope 2 emissions, in alignment with the internationally recognised GHG Protocol.
- 2.3 At present, Scope 3 emissions are excluded from the MSPO GHG assessment due to their complex nature, limited availability of data, and current industry capacity constraints.
- 2.4 The MSPO GHG implementation adopts a phased and stepwise approach, whereby Scope 3 emissions may be incorporated in future updates once readiness and capacity improve across certified entities.
- 2.5 Refer to Appendix I of this document for the definitions and descriptions of Scope 1, Scope 2, and Scope 3 GHG emission categories.

## 3. REPORTING TO THE SCHEME OWNER

To fulfil the reporting element under Criterion 4.5.4, the organisation shall:

- 3.1 Submit the annual GHG emissions report generated using the MSPO GHG Calculator to the scheme owner.
- 3.2 The reporting period shall cover a 12-month cycle ending 31 December each year, and the submission shall be made no later than 31 March of the following year.
- 3.3 For the purpose of MSPO compliance, the use of any GHG calculator other than the one provided by the scheme owner is not permitted.
- 3.4 More details on the MSPO GHG Calculator as the tool for reporting are provided in Clause 5 of this document.

- 3.5 The GHG emissions report generated from the MSPO GHG Calculator submitted to the scheme owner, including the following minimum information:
- (i) Identified sources of GHG emissions
  - (ii) Quantified emissions data (amount of GHG emitted)
  - (iii) Energy consumption and production volume
  - (iv) Year-on-year emissions data for performance tracking and comparison

## 4. ROLES AND RESPONSIBILITIES

### 4.1 SCHEME OWNER

The scheme owner shall be responsible for the following:

- 4.1.1 Overseeing the implementation and monitoring of the MSPO GHG requirements in accordance with the MSPO standards.
- 4.1.2 Monitor compliance with GHG requirements across all applicable MSPO certification scopes.
- 4.1.3 Review and acknowledge the GHG emissions reports submitted by certified organisations and reserve the right to accept or reject any submission that does not meet reporting criteria.
- 4.1.4 Process, analyse, and compile submitted GHG data for internal review and reporting purposes.
- 4.1.5 Safeguard the confidentiality of all submitted data in accordance with data protection protocols.
- 4.1.6 Report consolidated GHG emissions data to relevant ministries, agencies, or national platforms to support Malaysia's commitments to climate change mitigation.
- 4.1.7 Provide periodic updates to MSPO Accredited Certification Bodies (ACBs) regarding the status of reporting submissions.
- 4.1.8 Review and revise the MSPO GHG Calculator when necessary or deemed appropriate, based on stakeholder feedback, regulatory requirements, updates to standards, or technological improvements.
- 4.1.9 Issue official circulars or notifications from time to time to ensure that all MSPO-certified entities and stakeholders are informed of updates or procedural requirements related to GHG reporting.



## 4.2 ORGANISATION

The term organisation refers to entities certified under the MSPO certification scheme. The organisation shall be responsible for the following:

- 4.2.1 Comply with the MSPO GHG requirements as stipulated in the applicable MSPO standards.
- 4.2.2 Equip responsible personnel or team with sufficient knowledge and awareness of GHG emissions and related MSPO requirements.
- 4.2.3 Monitor and calculate the GHG emissions and submit the GHG emissions report by using the MSPO GHG Calculator to the scheme owner annually, where applicable.
- 4.2.4 Ensure that the version of the MSPO GHG Calculator used is the latest, downloaded from the official MSPO-designated system platform.
- 4.2.5 Develop, document, and implement a GHG reduction plan, which should be included in the organisation's management plan or procedures. The plan should be monitored for implementation and effectiveness, where applicable.
- 4.2.6 Maintain all relevant documentation and records to demonstrate compliance, and make available for audit purposes.

## 4.3 AUDITOR

Auditors conducting MSPO certification audits shall be responsible for the following:

- 4.3.1 Evaluate and verify that the organisation complies with the MSPO GHG requirements as stipulated in the applicable MSPO standards.
- 4.3.2 Confirm that the organisation has submitted the latest GHG emissions report to the scheme owner in accordance with the MSPO reporting cycle, where applicable.
- 4.3.3 Review the organisation's GHG reporting submission to ensure that data entered into the MSPO GHG Calculator is complete and matches the records maintained by the organisation.
- 4.3.4 Ensure that all data submitted is supported with the necessary documents.
- 4.3.5 Identify and report any discrepancies, errors, or signs of data manipulation in the GHG information as part of the MSPO audit findings.
- 4.3.6 Attend one (1) day GHG awareness training programmes that are endorsed by the MSPO scheme owner.

## 5. MSPO GHG CALCULATOR USAGE AS A TOOL FOR REPORTING

- 5.1 This reporting procedure applies specifically to compliance with Indicator 4.5.4.3 of the MSPO standard.
- 5.2 GHG emissions data entered into the MSPO GHG Calculator shall be cumulative and cover a 12-month calendar year period, ending on 31 December of the previous year.
- 5.3 Organisations shall maintain internal records of all relevant GHG-contributing activities (e.g. petrol consumption, electricity bills, diesel usage). These documents shall be made available for verification by MSPO auditors during audits.
- 5.4 Each certified entity within a group certification shall submit its GHG emissions report individually through the MSPO GHG Calculator.
- 5.5 Organisations shall submit their GHG emissions report to MSPO between 1 January and 31 March of the current year, based on the previous year's data (refer to Clause 5.2).
- 5.6 Organisations shall access and download the MSPO GHG Calculator through the MSPO-designated system at <https://emspo.org.my> using the registered login credentials. First-time users are advised to refer to the 'First Time Registration Manual' available on the login page for guidance.
- 5.7 In the event of technical difficulties or system-related issues, users shall submit a support request through the MSPO Helpdesk at <https://helpdesk.mspots.org.my/helpdesk/>.
- 5.8 Organisations shall submit the MSPO GHG emissions report using the MSPO GHG Calculator through the MSPO designated system at <https://emspo.org.my>.
- 5.9 The scheme owner shall conduct a review of submitted GHG reports within fourteen (14) calendar days of receipt.
- 5.10 Upon acceptance of the MSPO GHG emissions report, the scheme owner shall issue a notification of acknowledgment to the organisation through the designated platform.
- 5.11 The notification of acknowledgment may be used by the organisation as evidence of submission for audit purposes.
- 5.12 The scheme owner may reject the submitted GHG report under the following circumstances:
  - (i) The report is non-compliant with MSPO GHG requirements
  - (ii) The data is incomplete, contains errors, or appears to be inaccurate
  - (iii) Other valid justifications as deemed appropriate by the scheme owner



- 5.13 In case of rejection, the organisation shall be notified and is required to amend and resubmit the report within fourteen (14) calendar days in accordance with the justification provided.
- 5.14 Organisations may submit a request for resubmission of a revised GHG emissions report. The scheme owner will evaluate the request based on the justification provided and reserves the right to approve or reject the application.
- 5.15 If the request is approved, the organisation shall reattach the revised MSPO GHG Calculator within fourteen (14) calendar days and resubmit it through the designated MSPO system for review by the scheme owner.
- 5.16 Failure to submit the MSPO GHG emissions report within the required timeline will result in the scheme owner notifying the relevant ACB for appropriate action.
- 5.17 Following the reporting deadline (31 March), the scheme owner shall compile, analyse, and summarise the cumulative GHG emissions data from all reports submitted by MSPO-certified entities. The consolidated summary of total emissions will be shared with the relevant government ministries for national-level reporting and monitoring purposes, where applicable.
- 5.18 All submitted GHG reports shall be treated as confidential and will not be made publicly available unless explicit written consent is obtained from the respective organisation.
- 5.19 Refer to Appendix II for the flowchart outlining the submission process of GHG emission reports through the e-MSPO system.

For further information or clarification regarding this procedure, please contact: [ghg@mspo.org.my](mailto:ghg@mspo.org.my).

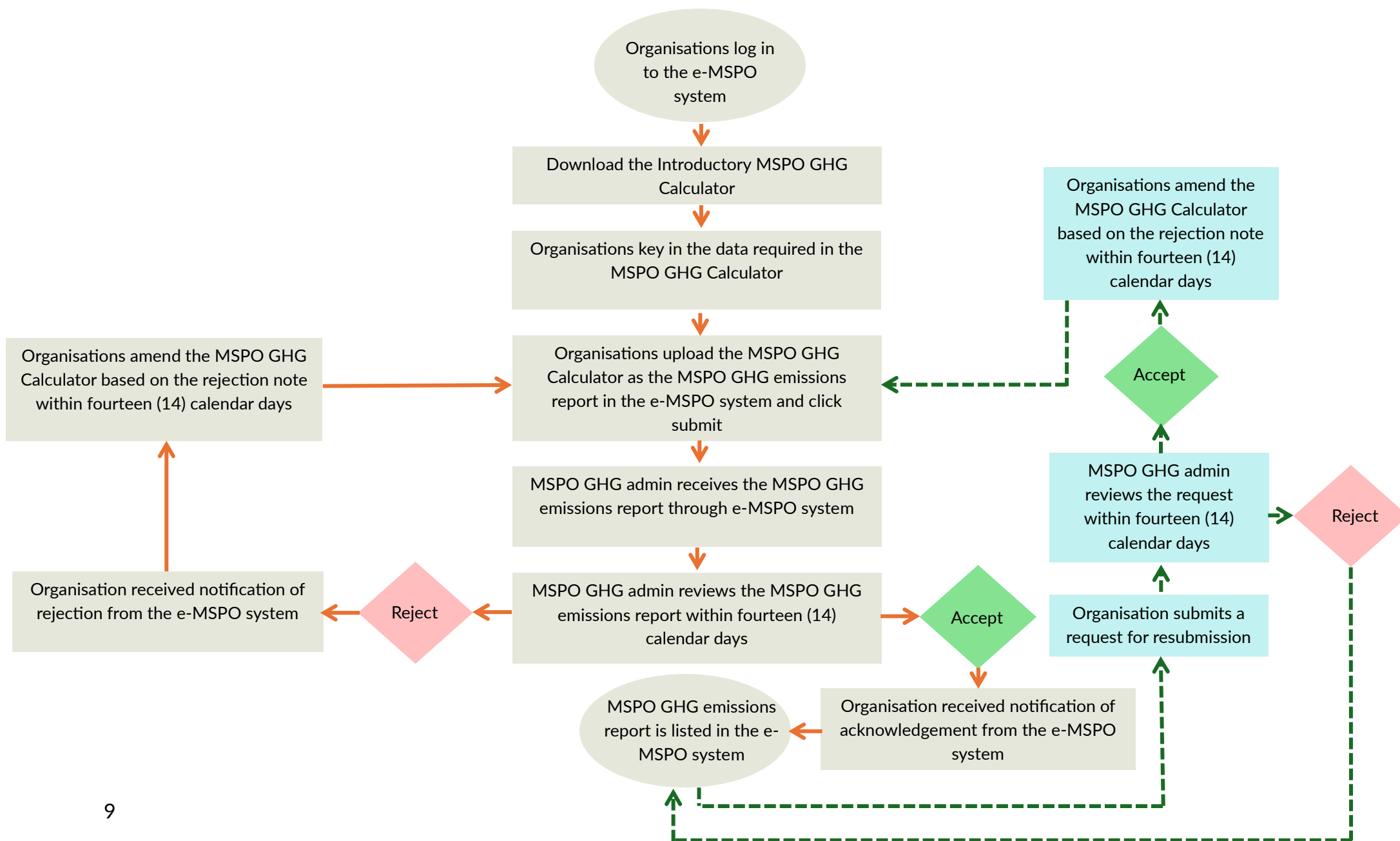
## APPENDIX I – DEFINITIONS OF GHG EMISSION SCOPES

This appendix provides definitions and coverage for Scope 1, Scope 2, and Scope 3 GHG emissions based on the internationally recognised Greenhouse Gas Protocol. These definitions serve as a reference for MSPO-certified entities to identify, categorise, and report GHG emissions in alignment with MSPO certification requirements.

Scope	Type of Emissions	Example	MSPO GHG Requirements
<b>Scope 1</b>	<b>Direct GHG Emissions</b>	<ul style="list-style-type: none"> <li>- Stationary combustion (e.g., generators, boilers, furnaces)</li> <li>- Mobile combustion (e.g., fuel used in company-owned vehicles and machinery)</li> <li>- Process emissions (e.g., industrial processes involving chemical reactions)</li> </ul>	Required under MSPO GHG reporting
	GHG emissions from sources that are owned or controlled by the organisation		
<b>Scope 2</b>	<b>Indirect GHG Emissions</b>	<ul style="list-style-type: none"> <li>- Electricity purchased from the grid for operations (e.g., mills, offices)</li> <li>- Purchased heating or cooling systems</li> </ul>	Required under MSPO GHG reporting
	GHG emissions from the consumption of purchased electricity, steam, heating, or cooling consumed by the reporting organisation.		
<b>Scope 3</b>	<b>Other Indirect GHG Emissions</b>	<ul style="list-style-type: none"> <li>- Emissions from the production of purchased raw materials</li> <li>- Transportation and distribution of products by a third party</li> <li>- Employee commuting and business travel</li> <li>- Waste disposal</li> </ul>	Not required under current MSPO GHG reporting
	GHG emissions encompass all other indirect emissions not included in Scope 2, which occur within the upstream and downstream value chains of the reporting organisation.		

Note: Scope 3 is currently not required under the MSPO GHG reporting procedure due to its complexity and practicality. It may be included in future reporting phases as capacity builds.

## APPENDIX II – FLOWCHART FOR SUBMISSION OF GHG EMISSIONS REPORT IN THE e-MSPO SYSTEM





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