

MALAYSIAN SUSTAINABLE PALM OIL

HIGH CONSERVATION VALUE ASSESSMENT

PROCEDURE

CONTENTS

NO.	SECTION TITLE	PAGE NO.
1.	ACRONYMS	2
2.	MSPO HCV ASSESSMENT IMPLEMENTATION / ENFORCEMENT	3
3.	INTRODUCTION	3
4.	ASSESSMENT CATEGORIES	3
5.	ASSESSMENT APPROACH/ APPLICABILITY	4
6.	THE ASSESSMENT PROCESS	6
7.	ASSESSOR REQUIREMENT	9
8.	ROLES AND RESPONSIBILITIES OF AUDITORS	10

Malaysian Sustainable Palm Oil High Conservation Value Assessment Procedure

Version 1.0

1. ACRONYMS

NO. ACRONYM
FULL TERM / DEFINITION
MSPO
Malaysian Sustainable Palm Oil
HCV
High Conservation Value

3. MPOB Malaysian Palm Oil Board

4. EIA Environmental Impact Assessment

5. CB Certification Body

2. MSPO HCV ASSESSMENT IMPLEMENTATION / ENFORCEMENT

The Malaysian Sustainable Palm Oil (MSPO) HCV Assessment Guidelines were published on **22 May 2025**. With its release, come a number of new requirements that must be adhered to by all MSPO certificate holders. To ensure that there is sufficient time for the certificate holders to adopt these new requirements, the full implementation of the MSPO HCV Assessment for all categories, including the gap analysis, will be enforced starting **June 2026**.

During this implementation period, the certificate holders to initiate the compliance to ensure full compliance by June 2026 upon the completion of assessor training.

3. INTRODUCTIONS

The scheme owner, MSPO, has been tasked to develop specific guidelines for the identification of High Conservation Value (HCV) presence in the Malaysian oil palm landscape.

The primary objective of these HCV guidelines is to identify the presence of HCV in different growers' sites and production categories. The published Guidelines are comprehensive and provide the basis of undertaking the HCV identification, reporting, and subsequent management and monitoring activities.

The MSPO HCV Assessment Guidelines have been split between two (2) different pathways, depending on the current situation of the intended assessment area, which are:

- 1. MSPO HCV Assessment New Plantings Oil Palm Plantings & Establishments Guideline.
- 2. MSPO HCV Assessment Existing Oil Palm Plantings Guideline.

These documents provide basic procedures and requirements for conducting HCV assessments across all of the current MSPO categories. The guidelines also outline the logical steps and workflow required to conduct and complete HCV assessments effectively.

4. ASSESSMENT CATEGORIES

The following section details the assessment categories that assessors may come across in the current oil palm landscape.

4.1 NEW OIL PALM PLANTING AND NEW ESTABLISHMENT

These categories include:

- a) Land expansion (within or outside the certified area);
- b) Land conversion from other crops to oil palm and processing facilities; and
- c) Other forms of land use conversion to oil palm and processing facilities (e.g. ex-mining area to oil palm).

It should be noted that, all instances of new oil palm plantings and new establishments will require an HCV Assessment prior to any land clearing activities and/or development of establishments.

4.2 EXISTING PLANTING

These categories include:

- Existing plantings or replanting (The company does not have an existing HCV assessment report prior to the release of MSPO's HCV Assessment Guidelines).
- b) Existing plantings or replanting (The company has an existing HCV assessment report prior to the release of MSPO's HCV Assessment Guidelines).

5. ASSESSMENT APPROACH AND APPLICABILITY

The following section details the various MSPO's grower categories under each of the published guidelines. The HCV assessments of each of these categories can only be conducted by specific parties (MSPO-endorsed internal and/or external assessors).

5.1 MSPO HCV ASSESSMENT NEW PLANTINGS & ESTABLISHMENTS GUIDELINE

- (i) Part 2-1: Independent Smallholders (less than 40.46 hectares)
- (ii) Part 2-2: Organised Smallholders (less than 40.46 hectares)
- (iii) Part 3-1: Oil Palm Plantations (40.46 hectares to 500 hectares)
- (iv) Part 3-2: Oil Palm Plantations (more than 500 hectares)
- (v) Part 4-1: Palm Oil Mill
- (vi) Part 4-2: Palm Oil Processing Facilities

(NOTE: HCV assessments for grower categories under MSPO's HCV Assessment New Plantings & Establishments Guidelines can only be conducted by MSPO-endorsed external lead assessors.)

5.2 MSPO HCV ASSESSMENT EXISTING PLANTINGS GUIDELINE

- (i) Part 2-1: Independent Smallholders (less than 40.46 hectares)
- (ii) Part 2-2: Organised Smallholders (less than 40.46 hectares)
- (iii) Part 3-1: Oil Palm Plantations (40.46 hectares to 500 hectares)
- (iv) Part 3-2: Oil Palm Plantations (more than 500 hectares)

(NOTE: HCV assessments for grower categories under MSPO's HCV Assessment Existing Plantings guidelines can only be conducted by MSPO-endorsed internal assessors selected by the organisation or by MSPO-endorsed external assessors.)

5.3 INDEPENDENT SMALLHOLDERS

The HCV assessment for new oil palm planting and existing planting for independent smallholder can only be conducted by the MPOB officer or the group manager. Therefore, a specific mechanism will be established for this specific approach for independent smallholders. This mechanism will published separately.

5.4 MSPO HCV ASSESSMENT APPLICABILITY

Based on the findings from the pilot test, the existing establishments under Parts 4-1 and 4-2 are **exempted** from the HCV assessment due to the low realistic value of the HCV.

MSPO Categories		Existing Planting and Establishment (before 31 December 2019)	New Planting and Establishment (after 31 December 2019)
No.	HCV Approach / Assessment Methodology	MSPO HCV Assessment Existing Plantings Guideline	MSPO HCV Assessment New Plantings & Establishments Guideline
1.	Part 2-1: Independent Smallholders	~	~
2.	Part 2-2: Organised Smallholders	~	~
3.	Part 3-1: Oil Palm Plantations (40.46 hectares to 500 hectares)	~	~
4.	Part 3-2: Oil Palm Plantations (> 500 hectares)	~	~
5.	Part 4-1: Palm Oil Mill	Exempted from	~
6.	Part 4-2: Palm Oil Processing Facilities	HCV Assessment	~

Table 1: MSPO HCV Assessment Applicability

(NOTE: For more details on the applicability please refer to both MSPO HCV Guidelines.)

5.5 ORGANISATION OR SITE WITH EXISTING HCV ASSESSMENT / REPORT

Unlike new plantings and new establishments, existing oil palm plantings can result in two separate pathways, depending on the current situation. If a company does not have an existing HCV assessment report, the company would have to conduct a new HCV Assessment. However, if a company already has an existing HCV assessment report, the company will then have to conduct a gap analysis between the existing assessment report and the requirements of MSPO's HCV Assessment Existing Planting Requirements. Any identified gaps must be addressed accordingly. Once verified by the auditors, the organisation must submit the relevant information to MSPO for reporting purposes

(NOTE: Kindly refer to section 6.2 item No. 4 for reporting requirements)

6. THE ASSESSMENT PROCESS

6.1 MSPO HCV ASSESSMENT NEW PLANTINGS & ESTABLISHMENTS (AFTER 31 DECEMBER 2019)

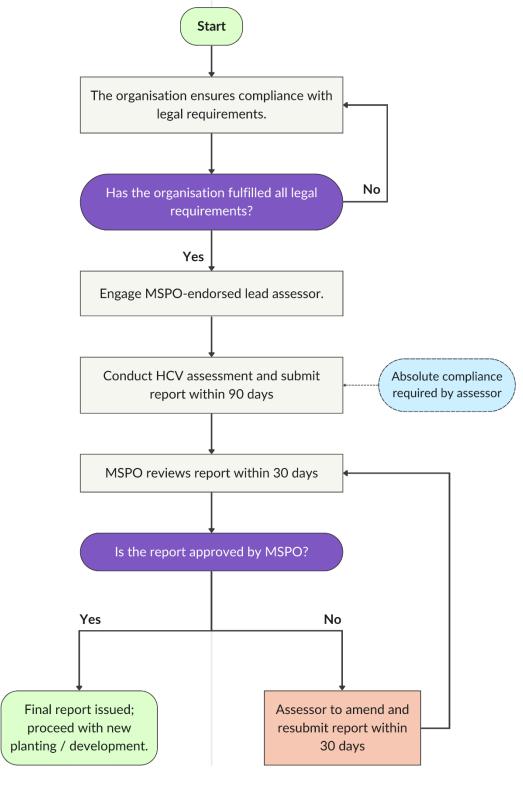


Diagram 1: MSPO HCV Assessment Process

- 6.1.1 This approach applies to companies planning to develop an area after 31 December 2019.
- 6.1.2 Before engaging an MSPO-endorsed lead assessor, companies must ensure compliance with all legal requirements, including land title or land use rights, and Environmental Impact Assessment (EIA) approvals and etc.
- 6.1.3 Only an MSPO-external endorsed lead assessor is allowed to conduct the assessment. Internal HCV assessments conducted by organisation employees are not accepted. Only for Part 2-1, the assessments may be conducted internally by the group manager or MPOB officer.
- 6.1.4 A list of MSPO-endorsed lead assessors will be published on the MSPO website for reference.
- 6.1.5 Submission of the HCV Assessment Report for approval: The HCV assessment report shall be submitted 90 days after the completion of the HCV field assessment. This includes of the public consultation process. Upon review by MSPO, the report can be either be:
 - (i) Approved without any conditions
 - (ii) Rejected

If the HCV report is rejected, the lead assessor must make the necessary amendments detailed in MSPO's review until the report is finally approved. The resubmission must be completed within a 30-day period.

Once MSPO approves the report, the **lead assessor** will provide the final document, allowing the organisation to proceed with **new plantings or development**.

6.2 MSPO HCV ASSESSMENT EXISTING PLANTINGS / REPLANTING / GAP ANALYSIS

Organisations, whether with or without an existing HCV assessment report, must follow the pathway outlined in Diagram 2.

If the organisation has an existing HCV report, a gap analysis must be conducted, this can be done either internally or by an external party.

If the organisation does not have an existing HCV report, it must appoint either a registered MSPO-endorsed internal or external lead assessor to carry out the assessment.

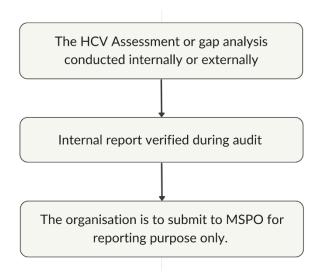


Diagram 2: MSPO HCV assessment and reporting process for existing plantings / replanting/ gap analysis.

- 6.2.1 The HCV assessment or the gap analysis shall be conducted by the MSPO endorsed internal or MSPO lead external assessor.
- 6.2.2 Organisations with an existing HCV report must conduct a gap analysis to compare the report against the MSPO HCV Assessment Guideline for Existing Oil Palm Areas.
- 6.2.2 The internal assessment report and the gap analysis will be verified by an auditor during the MSPO audit.
- 6.2.3 Once verified, the organisation shall submit the relevant information data to MSPO for recording purposes and to ensure transparency in compliance.
- 6.2.4 The list of information data needs to be submitted as follows:
 - (i) Summary of HCV Assessment Report
 - a) Overview of methodology, findings, and conclusions.
 - b) HCV Area information Data (size of the area, HCV category, land use status and GPS coordinate)
 - c) The gap analysis summary (only for existing HCV report)
 - (ii) Map
 - a) Kindly refer to the guidelines for the list of maps required.

7. ASSESSOR REQUIREMENTS

7.1 MSPO HCV EXTERNAL LEAD ASSESSOR QUALIFICATION CRITERIA

7.1.1 Educational Background

Holds at least a tertiary degree in environmental science, forestry, zoology, botany, ecology, conservation biology, social science or a related field.

7.1.2 Working Experience

Minimum 10 years working experience in the related field.

- 7.1.3 Technical Skills and Knowledge
 - (i) Completed HCV Assessor training endorsed by the scheme owner.
 - (ii) Familiar with environmental and social issues related to Malaysian plantation management.
 - (iii) Demonstrate expertise and knowledge in either of the following:
 - (a) Biology (Zoology & Botany), or
 - (b) Ecology, or
 - (c) Environmental Science, or
 - (d) Conservation, or
 - (e) Social Anthropology.
 - (iv) Have practical experience in conducting biodiversity surveys, conservation planning or social assessment.
 - (v) Possess fieldwork skills for conducting biodiversity surveys, ecological and social assessments, or habitat evaluations.
 - (vi) Understand the principles and requirements of the MSPO High Conservation Value approach.
 - (vii) Familiar with national sustainability standards and certification schemes that incorporate HCV assessments.
 - (viii) Have strong analytical skills to interpret data, assess ecological and social significance, and identify high conservation value areas.
 - (xi) Ability to communicate effectively (oral and written) in English and Bahasa Malaysia.
 - (x) Ability to write coherent and accurate HCV Assessment Reports.

7.1.4 Training requirements:

(i) **Shall attend** the MSPO HCV Endorsed External Lead Assessor Training.

7.2 MSPO HCV INTERNAL LEAD ASSESSOR QUALIFICATION CRITERIA

- 7.2.1 **Shall attend** the MSPO HCV Endorsed Internal Assessor Training.
- 7.2.2 The organisation shall send the relevant officer for the training.

MSPO will only endorse the assessor who fulfils the above requirement.

8. ROLES AND RESPONSIBILITIES OF AUDITORS

- (i) Verify that HCV assessments were conducted by MSPO endorsed assessors in accordance with the applicable MSPO HCV Assessment Guidelines (New Plantings & Establishments or Existing Plantings).
- (ii) Ensure that only assessments conducted by MSPO-endorsed **external lead assessors** (for new plantings) or **endorsed internal assessors** (for existing plantings).
- (iii) Verify that any existing HCV reports adapted from other certification schemes include a documented gap analysis against MSPO HCV requirements, and that any identified gaps have been addressed.
- (iv) Confirm that the HCV reports comply with the procedure and content requirements outlined by MSPO.
- (v) Review whether the HCV recommendations, including management and monitoring plans, have been incorporated and implemented to the organisation's operational planning.



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