

MALAYSIAN SUSTAINABLE PALM OIL PUBLIC SUMMARY AUDIT REPORT

CLIENT/COMPANY	TAMACO PALM OIL MILL	AUDIT NO.	240/19
ADDRESS	TAMACO PLANTATION SDN BHD AD Lot 5-8, Kimbell Light Industrial Centre, Mile 2, Dam Road, P.O Box 60486, 91114 Lahad Datu, Sabah.		
TYPE OF ASSESSMENT	Main Audit		
MILL MANAGER	Mr Samsudin Bin Arsat		
EMAIL ADDRESS	-		
WEB PAGE	-		
AUDIT STANDARD(S)	MS 2530-4:2013		
AUDIT SCOPE	Provision of Palm Oil Mill with Capacity 60 Mt/Hr		
AUDIT DATE	18 th July 2019		
PREVIOUS AUDIT DATE	21 st May 2019		
NEXT AUDIT DATE	1 st Surveillance audit tentatively plan on June 2020		
OTHER CERTIFICATION HELD	-		
CERTIFICATE VALIDITY	30/08/2019 to 29/08/2024		
AUDITOR TEAM MEMBERS	LEAD AUDITOR	ADNIN AMINURRASHID BIN ZILAH (AAZ)	
	AUDITOR	CHEN SIENG YIN (CSY)	
	AUDITOR	MOHD AMIN ADRAH (MAA)	

*These are your certification details.
Please inform us immediately if amendments are required.*

Audit Conclusion
Based on the documentation reviewed, records sampled, site visit and interview with relevant personnel's during this Stage 2 Audit for MS2530-4:2013 , we conclude that, TAMACO PALM OIL MILL (MILL 2) , has effectively implemented its Malaysian Sustainable Palm Oil system in accordance to the MS 2530-4:2013 requirements inline with the organization procedure & policy for the above mentioned scope.

Recommendation
The audit team has agreed to recommend for TAMACO PALM OIL MILL (MILL 2) to be awarded with MS 2530-4:2013 Certifications based on existing scope on the conditions that the raised NCRs & OFIs are satisfactorily closed within the stipulated time frames subject to review by Certification Approval Panel (CAP)

Lead Auditor	Adnin Aminurrashid Bin Zilah	Signature		Date	
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AUDIT OBJECTIVE

The objectives of this audit are as follows:

To evaluate the implementation, including effectiveness of **TAMACO PALM OIL MILL (MILL 2)** on MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) documentation. It shall include at least the following:

- a. Information and evidence about conformity to all requirements of the applicable management system standard or other normative document;
- b. Performance monitoring, measuring, reporting and reviewing against key performance objectives and targets (consistent with the expectations in the applicable management system standard or other normative document);
- c. The **TAMACO PALM OIL MILL (MILL 2)** MSPO and performance as regards legal compliance;
- d. Operational control of the **TAMACO PALM OIL MILL (MILL 2)** processes;
- e. Internal auditing and management review (if applicable);
- f. Management responsibility for the **TAMACO PALM OIL MILL (MILL 2)** policies;
- g. Links between the normative requirements, policy, performance objectives and targets (consistent with the expectations in the applicable management system standard or other normative document), any applicable legal requirements, responsibilities, competence of personnel, operations, procedures, performance data and internal audit findings and conclusions.

EXECUTIVE SUMMARY

Stage 2 of MSPO certification was satisfactorily conducted by NIOSH Certification on 18th July 2019 . NIOSH Certification is a certification body accredited by Standards Malaysia which providing a comprehensive certification services system mainly for management system of occupational safety and health, environment, quality and MSPO for various industries.

- a. **NIL– Major Nonconformity Report (NCR)**
- b. **ONE (1) – Minor Nonconformity Report (NCR)**
- c. **TWO (2) – Opportunities for Improvement (OFI)**

TAMACO PALM OIL MILL (MILL 2) has prepared Corrective Action Plan as respond of raised NCR which date of implementation adequately accepted by Audit Team. The effectiveness of the corrective action for minor NCR will be reviewed on the next surveillance while major NCR satisfactorily reviewed closed

ASSESSMENT TEAM MEMBER

Lead Auditor	<p>Mr Adnin Aminurrashid Bin Zilah</p> <p>He holds a Diploma in Planting Industry Management from MARA Institute of Technology. He has more than 10 year experiences in oil palm industry and 2 years experiences in sustainability audit and consultancy. Currently a MSPO Lead Auditor/Auditor, consultant and a peer reviewer, he has successfully obtained competency of Lead Auditor courses for Malaysian Sustainable Palm Oil (MSPO 2530:2013) and Quality Management System (ISO 9001:2015).. He attended Integrated Management System (IMS) conducted by Platinum Shauffmantz Veritas (PSV) certification in December 2017.</p> <p>Involved in MSPO assessment since 2017 and conducting audits for many different companies in Malaysia. Able to speak and understand well both Bahasa Malaysia and English.</p>
Auditor	<p>Mohd Amin Adrah</p> <p>Mohd Amin Adrah is the former Head of Sabah Regional Office (Sandakan), NIOSH Malaysia. He holds a Bachelor Degree in Chemical Engineering (Biotechnology) from Universiti Malaysia Pahang. He is a registered competent person with the Department of Occupational Safety and Health (DOSH) Malaysia as (1) Chemical Health Risk Assessor and (2) Authorised Gas Tester/Entry Supervisor. He has provided trainings related to occupational safety and health. Currently, he is conducting a Master research project entitled Dermal Exposure Assessment among Oil Palm Plantations' Pesticide Handlers in Kinabatangan, Sabah which is funded by Universiti Putra Malaysia).</p> <p>He successfully completed the Lead Auditor course for ISO 9001, and Lead Auditor MSPO MS2530. Able to communicate in Bahasa Malaysia, English and Local Language.</p>
Auditor	<p>Chen Sieng Yin</p> <p>Holds a Bachelor of Science (majoring in Biotechnology, Pathology & Immunology) from MONASH University, Clayton Campus, Melbourne, Australia. She had more than 10 years working experience in Oil Palm Industry and competent with auditing skills and substantial auditing experience pertaining to Oil Palm Industry including Competence of Testing and Calibration Laboratory, Good Manufacturing Practices, Food Safety Management as well as Occupational Safety and Health and Environmental Management System Certification for both Palm Oil Mill and Refinery.</p> <p>Qualified as CQI & IRCA Lead Auditor for Quality Management System (ISO 9001) and Environment Management System (EMS14001), Occupational Safety & Health System (OHSAS18001 & MS1722 & 45001), Good Manufacturing Practices B2+ Animal Feed (GMP), Hazards Analysis Critical Control Point (HACCP) and Malaysia Sustainable Palm Oil (MSPO2530). She had undergone the necessary Auditor Training Course for Skim Akreditasi Makmal Malaysia (SAMM), the Laboratory Accreditation Scheme of Malaysia Quality Management (ISO/IEC 17025). She is actively involved in auditing since year 2010 and training after certified as Train The Trainer (TTT1) in 2018 under HRDF. Subsequently involve in consultation related to QMS, OHSAS, EMS and MSPO Management System.</p>

AUDIT METHODOLOGY & AUDIT PROGRAMME

The assessment was conducted involving palm oil mill under Organisation. The minimum manday has been justified as per ABC-OPMC 2 (Audit Duration for CB Operating Oil Palm Management Certification under MSPO scheme). The audit covers documentation review, internal policies and procedures, management system as well as records review in compliance with the audit criteria requirements. The audit covered documentation and records review, physical mill observation covering all processes, workshop, chemicals store, effluent ponds, stakeholders consultation, interview with internal & external stakeholders, mill workers and contractors.

SUMMARY AUDIT FINDINGS

During the audit closing meeting held on 18th July 2019, the overall results of the audit are as follows:

The following items represented **positive observations** by the audit team:

1. Good commitment and support from management of PPOM
2. Documents requested were easily retrieved and available upon request.

The overall results of the audit are as follows:

- a. **NIL** – Major Nonconformity Report (NCR);
- b. **ONE (1)** – Minor Nonconformity Report (NCR); and
- c. **TWO (2)** – Opportunity For Improvement (OFI)

**The grading of nonconformity (Major / Minor) is based on ISO/IEC 17021:2015 guidelines.*

The audit team has satisfactorily verified the corrective action plan provided by the client. The effectiveness on the action plan for the corrective action will be reviewed by NIOSH Certification's auditors during the next surveillance audit.

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COMPANY BACKGROUND

TAMACO PALM OIL MILL located 40 kilometers from the centre of Lahad Datu, started from its Plantation Company 30 years ago. It was founded by the late Mr. Lim Cher Seng. Tamaco Palm Oil Mill was built in the year 1995 but only started its operation in June of 1997 with its milling capacity of 60 mt/hr. Tamaco Oil Mill, operated by the management of Mr. Samsudin Arsaf, began to operate in 1996 up to this day. The Mill was later upgraded its processing systems in April of 2011. The upgraded process was completed in January 2012. Tamaco Oil Mill gets its 60% of FFB from its own estates and 40% from third-party companies. The Mill Workforce currently has 118 active workers who work 20 hours a day, six (6) days a week. They are divided into two (2) shifts which are day and night shifts.

DETAILS OF MILL UNIT (S)

NO	NAME	ADDRESS OF MILL	MILL CAPACITY	GPS COORDINATE	TOTAL MILL AREA (HA)
1	Tamaco Oil Mill Sdn. Bhd. – Mill 2	Km 3, Jeroco Road, Off Km 20, Lahad Datu, Sabah	60 Mt Per Hour	5.1545041, 118.2289158	15.45

MPOB LICENSE DETAILS

NO	MILLNAME	MPOB LICENSE NO.	SCOPE OF ACTIVITY	EXPIRY DATE
1	Tamaco Oil Mill Sdn. Bhd.	508112504000	Transporting & Selling Ffb, Pk & Cpo. Buying & Transporting Ffb, Pk & Cpo. Keeping Pk & Cpo. Processing Ffb.	31 st August 2019

MILL PROCESSING DATA

Supply Base	Mill Processing and Production Data Actual Previous Year (2018)			Mill Processing and Production Data Forecast Current Year (2019)		
	FFB Processed (MT)	CPO Production (MT)	PK Production (MT)	FFB Processed (MT)	CPO Production (MT)	PK Production (MT)
Supply Base	a. 58,345.06	61,525.97	14,181.14	a. 19,207.62	23,286.12	5,487.05
a. Own Supply	b. 246,263.15			b. 94,610.87		
b. Other Supply						
TOTAL	304,608.21					
Conversion Rate		OER: 20.20	KER: 4.66		OER: 20.53	KER: 4.84

LOCATION AND MAP

1. LOCALITY MAP



2. MILL MAP



STAKEHOLDER LIST

As per Appendix 1

Review and follow-up on previous audit findings

All findings raised during the previous audit found has been addressed adequately. All NCR has been verified accordingly.

Stakeholders Consultation Session

Stakeholder consultation began with notification of **a month prior of** upcoming assessment by official letter to identified stakeholders. Emails, phone call and official letter were sent to applicable interested stakeholders. Audit team then visited some stakeholders to obtain positive / negative information or any issues in connection with **TAMACO PLANTATION SDN BHD (MILL 2)**. It was started with a slide presentation by NIOSH Certification Sdn. Bhd. explaining about the objectives of the MSPO certification scheme and purpose of stakeholder consultation. Agenda of discussion including legal compliance, environmental protection, biodiversity conservation, safety & social responsibility and development of community. No major adverse issue been raised as consulted during the audit: Among stakeholders attended the session:

- a. SK Amalania
- b. CLC Tamaco Centre
- c. Lahad Datu Wildlife Department
- d. Pontian FGV
- e. United Track Sdn Bhd
- f. Representative of Workers (3 Persons)

All positive and negative inputs from stakeholders has been discussed with management of **TAMACO PLANTATION SDN BHD (MILL 2)** with proper justification and adequate action plan by the management team to address the issue.



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Others

Nil

Disclaimer

NIOSH Certification provides services which are designed to determine whether the referenced Management System of the TAMACO PALM OIL MILL (MILL 2):

- a) complies with the relevant (mentioned) Standard; and
- b) has been properly implemented and maintained.

Audits are based on random sampling techniques and non conformances may exist which did not become apparent during the audit.

NIOSH Certification does not provide any advice on compliance with any legislation, regulation, or standards. All audit reports and other documentation provided by NIOSH Certification, are given in good faith and in reliance on the accuracy and completeness of the information provided by the TAMACO PALM OIL MILL (MILL 2). No responsibility is accepted to any third party that may rely in whole or in part on the content of this report, to the extent permitted by Law.

- End of Audit Report -



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