

# Control Union Certifications B.V. Evaluation of WWWW Rainbow Sdn Bhd. Compliance with the SBP Framework: Public Summary Report

Main (Initial) Audit

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## Completed in accordance with the CB Public Summary Report Template Version 1.4

*For further information on the SBP Framework and to view the full set of documentation see  
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### *Document history*

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# Table of Contents

<b>1</b>	<b>Overview</b>
<b>2</b>	<b>Scope of the evaluation and SBP certificate</b>
<b>3</b>	<b>Specific objective</b>
<b>4</b>	<b>SBP Standards utilised</b>
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
<b>5</b>	<b>Description of Company, Supply Base and Forest Management</b>
5.1	Description of Company
5.2	Description of Company's Supply Base
5.3	Detailed description of Supply Base
5.4	Chain of Custody system
<b>6</b>	<b>Evaluation process</b>
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
<b>7</b>	<b>Results</b>
7.1	Main strengths and weaknesses
7.2	Rigour of Supply Base Evaluation
7.3	Compilation of data on Greenhouse Gas emissions
7.4	Competency of involved personnel
7.5	Stakeholder feedback
7.6	Preconditions
<b>8</b>	<b>Review of Company's Risk Assessments</b>
<b>9</b>	<b>Review of Company's mitigation measures</b>
<b>10</b>	<b>Non-conformities and observations</b>
<b>11</b>	<b>Certification recommendation</b>

# 1 Overview

CB Name and contact:	Control Union Certifications Meeuwenlaan 4--6;; P.O.Box 161, 8000ADZwolle, Netherlands. certification@controlunion.com
Primary contact for SBP:	Andrea Ferrazzo - aferrazzo@controlunion.com
Current report completion date:	18/Mar/2020
Report authors:	Mr. Supun Nigamuni (Lead Auditor)
Name of the Company:	WWW Rainbow Sdn Bhd. L8-22 Brem Mall, Jalan Kepong, 51200, Kuala Lumpur, Malaysia
Company contact for SBP:	Mr. David Wong, L8-22 Brem Mall, Jalan Kepong, 51200, Kuala Lumpur, Malaysia. Tel: +603-62511101, Mob: +60122132638, E-mail:piokl@pio.com.my
Certified Supply Base:	The supply base, as defined by Rainbow Pellet, covers the state forests within peninsular Malaysia
SBP Certificate Code:	SBP-06-41
Date of certificate issue:	20/Mar/2020
Date of certificate expiry:	19/Mar/2025

This report relates to the Main (Initial) Audit

## 2 Scope of the evaluation and SBP certificate

The certificate scope covers biomass producer producing wood pellets using 100% PEFC certified and PEFC Controlled Sources wood residues (saw dust, wood shavings, wood slabs) as per SBP 2,4,5, ID5D.

The certification scope excludes a Supply Base Evaluation.

### 3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of the specified SBP Standards are implemented across the entire scope of certification.

The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of the production processes, production site visit;
- Review of PEFC system control points and an analysis of the existing PEFC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients; and
- GHG data collection analysis.
- SAR and profiling data collection analysis
- Compliance assessment against Instruction Document 5D: Dynamic Batch

Sustainability Data v1.1 evaluation

## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

### 4.2 SBP-endorsed Regional Risk Assessment

Not applicable

## 5 Description of Company, Supply Base and Forest Management

### 5.1 Description of Company

WWW Rainbow Sdn Bhd (1095014-W) founded in 2014, has one manufacturing facility in peninsular Malaysia, with a design capacity of 72,000 MT a year.

Company is head quartered in : L8-22 Brem Mall, Jalan Kepong, 51200, Kuala Lumpur, Malaysia which also serves as the administration unit. Biomass production unit is located at 51, Jalan Industri 4, Taman Perindustrian Temerloh, 28400, Mentakab, Pahang, Malaysia. For Storage of pellets before final loading a storage facility is occupied at the West Port, Klang on a temporary basis.

WWW Rainbow manufactures wood pellets from secondary feedstock, including saw dust, wood shavings, wood slabs. All feedstock to be SBP claimed are purchased through PEFC certified COC operations with 100% PEFC certified and PEFC Controlled Sources claims in the transaction documents.

The biomass producer conducts parallel production of certified and non certified material (materials received from primary and secondary processors without PEFC claims) with traceability assured through Physical separation across the manufacturing process.

### 5.2 Description of Company's Supply Base

All feedstock origins from Peninsular Malaysia specifically from the state forests certified for PEFC endorsed MTCS namely Negeri Sembilan, Pahang, Perak, Terengganu. Feedstock of wood residues (saw dust, wood shavings, wood slabs) are received from certified PEFC COC operations with a 100% PEFC certified or PEFC Controlled Sources claims where the material can be traced back to the declared supply base through removal passes to the respective state forestry's.

No suppliers supplying with PEFC Controlled Sources yet. But the company wishes to keep that as an option as a result the procedures are developed accordingly and there is a possibility of expanding the supply base to other non MTCS certified areas within Peninsular Malaysia. In all cases company will only buy with valid PEFC Controlled Sources claims.



### 5.3 Detailed description of Supply Base

As per government statistics of 2018, forested area in Peninsular Malaysia was 5.76 million hectares or 43.6% of the total land area of 13.21 million hectares. Out of this total, 4.80 million hectares have been gazetted as Permanent Reserved Forests (PRFs) under the National Forestry Act 1984. These PRFs are managed under the Sustainable Forest Management practices for economic, social and environmental benefits. By function 1.83 million ha is managed under Protection forest while 2.98 million ha is managed as Production forest.

Production	Million Cubic Metres
Logs	4.19
Sawn Timber	2.71
Plywood	0.44
Veneer	0.14
Moulding	0.08

Source: <https://www.forestry.gov.my/en/2016-06-07-02-53-46/2016-06-07-03-12-29>

Currently all feedstock origins from Peninsular Malaysia specifically from the state forests certified for PEFC endorsed MTCS namely Negeri Sembilan, Pahang, Perak, Terengganu. Selangor State Forestry is also certified for MTCS, however no commercial felling as Selangor Government has imposed a moratorium prohibiting logging until 2035. Certified forest management area from respective state forestry units are as follows which the company has identified as part of supply base,

FMU	Size (ha)	Short Description
PAHANG STATE FORESTRY DEPARTMENT	1,504,407.35	<p>The Pahang FMU is managed by the Pahang State Forestry Department (PSFD). The PSFD is committed in the management of the FMU on a sustainable basis. The administration of the FMU is divided into 8 forest districts namely the Bentong, Raub, Cameron Highland, Jerantut, Kuantan/Pekan/Maran, Lipis, Rompin and Temerloh/Bera Forest Districts. The inland forest is managed under the Selective Management System (SMS) on a 30 -year rotation period.</p> <p>Under the Eleventh Malaysia Plan 2016- 2020, the Annual Allowable Cut (AAC) for the Pahang FMU had been set at 68,435 ha or 13,687 ha per year. Current Forest Management Plan (FMP) covers the period from 2016 to 2025.</p> <p>The FMU is located between 2° 27' 21.34" N to 4° 27' 21.34" N and 101°21' 54.54" E to 103° 37' 29.21" E.</p>
PERAK STATE FORESTRY DEPARTMENT	988,603.94	<p>The Perak FMU is managed by the Perak State Forestry Department (PSFD). The PSFD is committed in the management of the FMU on a sustainable basis. The administration of the FMU is divided into five (5) forest districts namely the South Perak, Kinta/Manjung, Kuala Kangsar, Larut/Matang and Hulu Perak Forest Districts. The inland forest is managed under a Selective Management System (SMS) on a 30-year rotation period. Under the Eleventh Malaysia Plan (2016-2020), the Annual Allowable Cut (AAC) for the Perak FMU had been set at 7,744 ha. Current Forest Management Plan (FMP) covers the period from 2016 to 2025.</p> <p>The FMU is located between 3° 40'30" N to 5° 53'30" N and 100°12'30"E to 101°54'00"E</p>

TERENGGANU STATE FORESTRY DEPARTMENT	540,308.80	<p>The Terengganu Forest Management Unit (FMU) consists of 544,883.00 ha of permanent reserved forest (PRF) and is managed by the Terengganu State Forestry Department (TSFD). The PRFs within the FMU comprise mainly of inland Dipterocarp forests covering an area of 514,082.73 ha with the remaining PRFs covering 25,931.10 ha of peat swamp forests and 1,036.55 ha of mangrove forests. There was also a forest plantation in the certified area covering of 3,833 ha. The administration of the FMU is divided into three forest districts namely the North, West and South Terengganu Forest Districts. The inland forest is managed under a Selective Management System (SMS) on a 25 to 30-year rotation period. Under the Eleventh Malaysia Plan (2016-2020), the Annual Allowable Cut (AAC) for the Terengganu State FMU had been set at 6,388 ha. Current Forest Management Plan (FMP) covers the period from 2016 to 2025. There were no indigenous people reserves in the FMU. They live outside of Terengganu FMU PRF (settled in state land).</p> <p>Terengganu FMU located in Terengganu State with the administration divided into three forest districts namely the North, West and South Terengganu Forest Districts</p>
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## 5.4 Chain of Custody system

WWW Rainbow Sdn Bhd holds valid PEFC COC certification (SGS-MTCS/COC-0217 valid till 24-07-2021) for the production of wood pellets.

All wood fibre is tracked through the process from the district of origin through the mill to the final bill of sale.

The production under SBP claims are limited to

- Feedstock received with an SBP-approved Chain of Custody (CoC) System claim (100% PEFC Certified)
- Feedstock received with an SBP-approved Controlled Feedstock System claim (PEFC Controlled Sources)

Company conducts parallel production of certified and non certified material (materials received from primary and secondary processors without PEFC claims) with traceability assured through Physical separation across the manufacturing process. Separate storage areas are assigned for PEFC certified feedstock and the certified SBP wood pellets are produced batchwise where the entire production line is producing certified material at a time to limit the possibility of any contamination.

A database is used to gather and control information related to the feedstock such as supplier name, weigh bridge tickets, incoming delivery documents, type of feedstock, certification and associated claim, and removal passes related to the incoming material providing traceability to the origin. WWW Rainbow has appropriate control mechanisms to calculate output volumes and claims. and trademark/logo approval. Additionally, WWW Rainbow conducts an annual management review of the commitments, programs and procedures to evaluate the overall effectiveness of the SBP management system. The SBP claim is to be stated on the sales invoices

and recorded in the DTS. Dummy invoices were available during the audit process to demonstrate competence with the use.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

Summary of the main-assessment

<i>Lead auditor</i>	<i>Supun Nigamuni</i>
<i>Team member(s)</i>	<i>Paramjit Singh Karam Singh (Trainee Auditor)</i>
<i>Location(s) visited</i>	<i>Administration: L8-22 Brem Mall, Jalan Kepong, 51200, Kuala Lumpur, Malaysia Production: 51, Jalan Industri 4, Taman Perindustrian Temerloh, 28400, Mentakab, Pahang, Malaysia Storage: West Port (Temporary)</i>
<i>Audit date(s)</i>	<i>19-20 Dec 2019</i>
<i>Audit duration</i>	<i>2 days</i>

*Audit Agenda is as follows,*

<b>Activity</b>	<b>Site</b>	<b>Date/Time</b>
<i>Opening meeting</i>	<i>Administration Site</i>	<i>16-12-19 09:00-09:30</i>
<i>Scope Assessment</i>	<i>Administration Site</i>	<i>09:30-10:00</i>
<i>Documentation review</i> <ul style="list-style-type: none"> <li>- <i>Business Integrity</i></li> <li>- <i>Company procedures and records related to Chain of Custody</i></li> <li>- <i>Social, Health and Safety Requirements</i></li> <li>- <i>Complaints and grievance handling procedures</i></li> <li>- <i>Internal audits, Management review</i></li> <li>- <i>Logo and Trademark Use</i></li> <li>- <i>GHG data registration and calculations</i></li> </ul>	<i>Administration Site</i>	<i>10:00 – 16:00</i>
<i>Field verifications at storage facility</i> <ul style="list-style-type: none"> <li>- <i>Material receipt</i></li> <li>- <i>Material control and handling</i></li> </ul>	<i>Storage Site</i>	<i>16:00 – 18:00</i>

<ul style="list-style-type: none"> <li>- Sales and delivery</li> <li>- Training</li> </ul> <p>Health and Safety</p>		
<p>Field verifications and documentation review at production site</p> <ul style="list-style-type: none"> <li>- Material receipt</li> <li>- Production</li> <li>- Material control and handling</li> <li>- Sales and delivery</li> <li>- Training</li> <li>- Health and Safety</li> </ul>	Production Site	17-12-19 09:00 – 15:00
Preparation for closing meeting	Production Site	15:00 – 16:00
Closing meeting	Production Site	16:00 – 17:00

## 6.2 Description of evaluation activities

The audit consisted of an opening meeting, during which the scope was confirmed. The auditor also explained the methods to be employed during the audit. After this introduction, all relevant requirements of the applicable SBP standard(s) were verified on compliance through the use of a report template and checklists. The audit was completed by filling in the audit report and discussing the audit results. Critical Control points were evaluated and found to be sufficiently managed. During the closing meeting it was also discussed how evidence can be submitted of corrective action with respect to non-conformities that were identified during the audit.

## 6.3 Process for consultation with stakeholders

As the certification scope excludes a Supply Base Evaluation WWW Rainbow was not needed to conduct any prior stakeholder consultation. According to the obligations as the CB CUC conducted a public stakeholder consultation using a national stakeholder list and also the stakeholder list declared by the client prior to the evaluation. Stakeholder consultation was open for a period of 30 days starting from 15-11-19. No comments received from the public stakeholder consultation.

## 7 Results

### 7.1 Main strengths and weaknesses

Rainbow Pellets demonstrated a good level of compliance with the required criteria of Standard 2, 4 and 5. There was reasonable evidence provided to support compliance where a Non-Conformity was not detected. The Non-Conformities presented in this report identify actions that must be taken in order to comply with the SBP system and its standards. The existence of a PEFC Chain of Custody system in combination with company system for Green Gold Label (GGL) are considered a main strength with respect to WWW Rainbow overall conformity with the relevant SBP standards.

Weaknesses observed with the Non conformities identified in this audit

### 7.2 Rigour of Supply Base Evaluation

An SBE was not considered required as all feedstock used for SBP certified pellet production is currently 100% PEFC Certified for SBP-Compliant claims and PEFC Controlled Sources for SBP-Controlled claims.

### 7.3 Collection and Communication of Data

The organization has employed an external consultant who helped the organization with implementation of the system for collection of the emission and energy data. The company supplied the audit team actual data on Greenhouse Gas emissions, except for forest operations as all feedstock is secondary.

### 7.4 Competency of involved personnel

Not applicable as no SBE in the scope

### 7.5 Stakeholder feedback

See 6.3 above. No comments received from the public stakeholder consultation.

### 7.6 Preconditions

All identified major Non Conformities shall be settled prior to the certification can be awarded.

## 8 Review of Company's Risk Assessments

*Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.*

Not applicable as no SBE in the scope



## 9 Migration measures

Not applicable as no SBE in the scope

## 10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

<b>NC number</b> 2019-01	<b>NC Grading:</b> Major
<b>Standard &amp; Requirement:</b>	Std 4 – 5.2.2 Only the following feedstock inputs shall be considered to be SBP-compliant feedstock• Feedstock received with an SBP-approved Forest Management Scheme Claim or SBP-approved recycled claim.• Feedstock sourced from within the BP’s defined Supply Base (SB) and for which a valid Supply Base Evaluation (SBE) has determined that all the indicators in the SBP Feedstock Compliant Standard are low risk.• Feedstock sourced within the scope of the BP’s own SBP-approved Chain of Custody (CoC) System certification, for example, non-certified reclaimed feedstock sourced in compliance with FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC.• Post-consumer tertiary feedstock sourced following the requirements of Instruction Note 4A, SBP tertiary feedstock requirements.
<b>Description of Non-conformance and Related Evidence:</b>	
Company scope is to source SBP complaint feedstock from 100% PEFC Certified sources. 7 suppliers in total. However 4 suppliers do not have scope in the certificate. Suppliers Lionvest, Supreme Lumber, Kilan Papan YNL Maju don’t have wood residues in the scope. Also no printouts kept from PEFC Information Register as an authentication of the certified status by the time of purchasing or at a set frequency. Therefore company has not done accurate checks on the validity of the supplier certificates. KH Sawmill Sdn Bhd - SIRIM-COC 00069Lionvest Timber Industries Sdn Bhd - SGS-MTCS/COC-0025 - No offcuts in the scopeMahawangsa Timber Industries Sdn Bhd - SGS-MTCS/COC-0024PIO Hardwoods M Sdn Bhd - SGS-MTCS/COC-0032Kilang Papan Sim Lean Huat Sdn Bhd - SGS-MTCS/COC-0147 - No offcuts in the scope yetSupreme Lumber Sdn Bhd - SGS-MTCS/COC-0150 - - No offcuts in the scope yetYNL Maju Sdn Bhd - T991088 - No offcuts in the scope	
<b>Timeline for Conformance:</b>	Prior to (re)certification

<p><b>Evidence Provided by Company to close NC:</b></p>	<p>PEFC Supply Base and supplies need to be verified in the procurement process. PEFC certification verification was not adhered too as required procedure even though training has conducted earlier. No lapses in procedure is observed and the root course is concluded as human error due to lack of awareness and monitoring. Corrective and preventive actions taken by the client include - Purchasing department conducting verification of supply base with PEFC website to ensure certified sources.- Only supply base with the relevant scope to be in the supplier list. The three suppliers identified during the audit removed from supplier list- Training conducted for the purchasing department on supplier material claims verification.-                  Maintain Training records on supply base training. Preventive measures include, - Continues planned training on Verification, with PEFC website, of Supply base done during purchase of material.-                  Training for purchasing to be conducted for the purchasing department on supplier material claims verification backed with monitoring through supervision staff.</p>
<p><b>Findings for Evaluation of Evidence:</b></p>	<p>The concerned suppliers which has did not have the correct scope is now removed from the supplier list. Also feedstock purchasing records indicate there is no purchases from those suppliers. As the root course is determined as lack of implementation and monitoring the purchasing and supervision team has been retrained on supplier validation.</p>
<p><b>NC Status:</b></p>	<p>Closed</p>

<p><b>NC number 2019-02</b></p>	<p><b>NC Grading: Major</b></p>
<p><b>Standard &amp; Requirement:</b></p>	<p>Std 4 – 5.5.6 A single legal owner may supply SBP-compliant Biomass, SBP-controlled biomass, and Other Biomass. Other Biomass shall be physically separated and shall not be mixed in any Chain of Custody system.</p>
<p><b>Description of Non-conformance and Related Evidence:</b></p>	
<p>Company receives feedstock from complaint, controlled and non certified. Feedstock comes with a claim is stored in separate storage and and proceesed seperately to the non certified. Instructions are clearly set up on requirements for segregation. Company processess both certified and non certified material but with proper segregation. In the raw material storage the materials are to be seperately stored in designated area but during observations it was observed at it was not properly segregated as the marking is only on the front but not on the sides and it was observed certified and non certified bundles stacked aside with no segregation or marking. This creates doubt what is certified and what is not certified specially for the personal in the production floor also considering there are no identification marks.</p>	
<p><b>Timeline for Conformance:</b></p>	<p>Prior to (re)certification</p>

<p><b>Evidence Provided by Company to close NC:</b></p>	<p>Procedure on segregation of certified and not certified sources is in place (including having demarcated area) however it was not implemented properly. It was observed that even though training was conducted on the subject before, Certified materials Segregation Procedure awareness among all personal need to be enhanced. As corrective actions company has, - Clear segregation of certified material and non-certified material was done.- Further awareness training on the requirement to segregation certified and Non-certified material was done. - Training on material storage process and clear segregation process was conducted. Preventive measures are as follows, - Periodic awareness training on the requirement to segregation certified and Non-certified material has been planned through the training process. - Training on material storage process and clear segregation process will be conducted and monitoring done to requirement.</p>
<p><b>Findings for Evaluation of Evidence:</b></p>	<p>Photographic evidence presented demonstrate clear segregation marks available in the dedicated area for certified feedstock. Training has been conducted covering all key management and operational personal. Continuous monitoring to be conducted along with periodic awareness training in order to ensure the situation does not repeat.</p>
<p><b>NC Status:</b></p>	<p>Closed</p>

<p><b>NC number</b> 2019-03</p>	<p><b>NC Grading:</b> Major</p>
<p><b>Standard &amp; Requirement:</b></p>	<p>Std 4 - 6.1.1 All inputs downstream of the biomass production process where mixing of SBP-compliant biomass with non-SBP compliant biomass takes place, shall have been determined to be EUTR compliant and shall have been subjected to 'due diligence'.</p>
<p><b>Description of Non-conformance and Related Evidence:</b></p>	
<p>Information is available in the SOPs. As the company is getting feedstock for SBP certification as SBP complaint and SBP controlled, as per EUTR requirement the company is only required to have "information". The information on species is available in the removal passes. However the list of species presented in the SBR is not consistent with the removal passes.</p>	
<p><b>Timeline for Conformance:</b></p>	<p>Prior to (re)certification</p>
<p><b>Evidence Provided by Company to close NC:</b></p>	<p>Company has concluded the following as the root cause for the NCs; Even though procedure was consistent with the requirement it was determined that the lack of implementation was as a result of lack of understanding of the requirement. As a result, SBR has featured all commercial species available in Malaysia without relating to its specific supply base of MTCS certified FMUs (state forestry of Pahang, Perak, Terengganu). As corrective and preventive actions company has taken</p>

	<p>the following actions; - SBR list of species updated to be consistent with the purchased in 2019 - Purchasing department conducting verification of supply base with PEFC website and available public summary reports and removal passes to ensure certified sources.-                  Training conducted for the purchasing department on supplier material claims verification.- Maintain Training records on supply base training.</p>
<b>Findings for Evaluation of Evidence:</b>	<p>Corrective and preventive actions submitted by the client on 27-02-20 includes training conducted on 30-01-20 for all critical staff in order to ensure all receipts are cross checked with the species as reflected in the removal pass from the MTCS certified FMU and the same data to be updated in the SBR. SBR has also been updated on the 30-01-20 which lists down the species relating to the incoming stock during 2019. NC can be settled as a result.</p>
<b>NC Status:</b>	Closed

<b>NC number</b> 2019-04	<b>NC Grading:</b> Major
<b>Standard &amp; Requirement:</b>	<p>Std 4 - 6.3.1The legal owner shall implement the requirements of either:PEFC 2002:2013 Section 9: Social, Health and Safety requirements in CoC,OrFSC-STD-40-004 V2-1 EN Section 1.6: Occupational Health and SafetyOr the latest versions of these documents.</p>
<b>Description of Non-conformance and Related Evidence:</b>	
<p>Company Policy (Appendix 1, dated 01-01-19 signed by the Managing Director assures the continued integrity and validity of Factories SBP system and certified products. Company is certified or PEFC. Company has policies for OHS outlined in the SOP in accordance with PEFC certification requirements. No accidents has been recorded over the last 12 months. However during field observations the following lapses were observed - PPEs have only been provided the day before the onsite audit and the personal have not been trained with this regards as well as first aid and general health and safety. - No risk assessment is conducted to identify the need of PPE with the risks at each work stations. The risks are identified and placed only at the pelletizing section.3 personal in production floor was observed without safety boots, No personal were observed wearing ear plugs. No specifications for the use of goggles considering the operational area is quite dusty. - Several fire extinguishers were observed to be kept in inaccessible places. - First aid program is not effective as first aid boxes are not adequately stuffed with multiple items missing.</p>	
<b>Timeline for Conformance:</b>	Prior to (re)certification
<b>Evidence Provided by Company to close NC:</b>	<p>Even though company has a system for OHS management with PEFC certification lapses during the audit were demonstrated as a result of lack of implementation and monitoring. Factory manager was unofficially assigned as in charge of OHS but unclear job scopes and</p>

	<p>insufficient training has also contributed to lack of focus on health and safety. PPE assessment and risks at each work stations has not been conducted before as the need was deemed necessary. Following corrective actions are taken; - Personal appointed as OHS officer also meeting DOSH requirements. - PPE training and monitoring implemented, in line with the risk assessment performed (with the PPE signs displayed at each working stations) - Smoking has been prohibited within the factory premises.</p> <p>-First aid and general health and safety training is conducted. - Fire extinguishers areas have clear access and are not obstructed. - First aid program implemented and First aid materials adequacy checked</p>
<p><b>Findings for Evaluation of Evidence:</b></p>	<p>Company has appointed an OHS officer with overall responsibility and has conducted training on OHS and First aid training for all personal. PPE provisions are as a result of the risk assessment conducted (which was sighted during the main assessment where PPE needed for each workspace was displayed). In addition smoking has been prohibited within the factory premises. Evidence submitted also indicate that the fire extinguishers are now stored without obstruction. NC to be settled as a result.</p>
<p><b>NC Status:</b></p>	<p>Closed</p>

<b>NC number</b> 2019-05	<b>NC Grading:</b> Major
<b>Standard &amp; Requirement:</b>	Std 4 - 6.3.3 The legal owner shall determine and implement effective arrangements to comply with all applicable laws, rules and regulations in countries where it conducts business activities.
<b>Description of Non-conformance and Related Evidence:</b>	
Company Policy signed 01-01-19 clearly outlines that all operations shall meet all applicable laws and regulations and has listed out laws applicable for their operations in Malaysia and other international treaties. Companies responsibility is only FOB therefore no legal requirements applicable in overseas countries. However compliance has not been assessed with respective laws identified in the legal register. Violations observed under OHS regulations observed as no trained first aiders as per the provisions from DOSH.	
<b>Timeline for Conformance:</b>	Prior to (re)certification
<b>Evidence Provided by Company to close NC:</b>	Further analysis was conducted to identify whether the lapses were only on requirements related to DOSH and it was concluded that the legal compliance was limited to DOSH requirements. The root cause for not identifying the requirement was as a result of ineffectiveness of the system of monitoring legal compliance rather than waiting for the authorities to point out violations if any so the system is more reactive rather than proactive. This has also contributed by not having specific personal made responsible in compliance related issues. Following corrective actions are taken; - Legal law register was updated and person in charge of monitoring and updating was appointed -Compliance has been assessed with respective laws identified in the legal register. - First aid training was conducted as to requirement - First aid trainer has been appointed. Additionally as preventive actions legal register is to be reviewed regularly (minimum annually) for changes.
<b>Findings for Evaluation of Evidence:</b>	No non compliance with laws were observed other than DOSH requirements. First aider has been appointed and necessary training is conducted. Also compliance officer has been appointed to implement and monitor the legal requirements.
<b>NC Status:</b>	Closed

<b>NC number</b> Obs 2019-01	<b>NC Grading:</b> Observation
<b>Standard &amp; Requirement:</b>	Std 4- 5.4.2 A legal owner shall record the certificate numbers of the customer to which it supplies biomass, where applicable.
<b>Description of Non-conformance and Related Evidence:</b>	
No sales yet. Also the requirement is yet to be covered in the SOPs. Client is aware of the requirement so the risks are limited. But graded as an observation to ensure the requirement is followed up.	
<b>Timeline for Conformance:</b>	Other
<b>Evidence Provided by Company to close NC:</b>	<i>Click or tap here to enter description provided by Company to close the NC.</i>
<b>Findings for Evaluation of Evidence:</b>	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
<b>NC Status:</b>	<i>Choose status.</i>



## 11 Certification decision

<b>Based on the auditor’s recommendation and the Certification Body’s quality review, the following certification decision is taken:</b>	
<b>Certification decision:</b>	Certification approved
<b>Certification decision by (name of the person):</b>	Hubert Jurczyszyn
<b>Date of decision:</b>	20/Mar/2020
<b>Other comments:</b>	<i>Click or tap here to enter text.</i>