

CODE OF PRACTICE

Jakarta, Indonesia, October 83, 2015  
Revision no. 3



PT MUTUAGUNG LESTARI  
Registered Overseas Certifying Bodies  
( ROCB )

## CODE OF PRACTICE

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## CODE OF PRACTICE

### 1. INTRODUCTION

Facing the globalization era, which has been effected on 2003, the Manufacturer must have high competitiveness struggle to stay alive. This competitiveness struggle also will be useful to eliminate **trade barrier** concerning each country has a tendency to protect their trading self-interest through technical or standard requirement including quality.

Many ways can be taken to gain high competitiveness struggle, one of them is improving human resources quality, which hopefully will affect in increasing and maintaining of the production quality stability. Beside that, to gain high competitiveness struggle also can be conducted by having efforts of reaching product quality recognition through product certification program.

Concerning the matters above, PT Mutuagung Lestari (MAL), has already compiled a guidance book to accelerate the JAS certification program.

MAL is an independent body in the inspection, testing, certification and calibration services which had been designated as a Registered Overseas Certifying Body (ROCB) by Japanese Government (Ministry of Agriculture, Forestry and Fisheries – MAFF) on March 10, 2006.

On March 1, 2006, the Revision of JAS Law was enforced. Based on the revised JAS Law, MAL applied to MAFF as a Registered Overseas Certifying Body (ROCB) and started its certification on March 10, 2006 with the scope of Plywood, Laminated Veneer Lumber, Structural Laminated Veneer Lumber, Glued Laminated Timber, Flooring and Finger Jointed Structural Lumber for Wood Framing Construction.

The book contained the certification procedure from initial contact until after certification process. The book was made based on:

- 1.1 Technical Criteria for the Certification of the Manufacturer concerning such as Plywood; Flooring; Laminated Veneer Lumber; Structural Laminated Veneer Lumber; Glued Laminated Timber and Finger Jointed Structural Lumber for Wood Framing Platform Construction products.
- 1.2 Japanese Agricultural Standard concerning such Plywood; Flooring; Laminated Veneer Lumber; Structural Laminated Veneer Lumber; Glued Laminated Timber and Finger Jointed Structural Lumber for Wood Framing Platform Construction products.
- 1.3 Inspection Methods for the Agricultural and Forest Products Plywood; Flooring; Laminated Veneer Lumber; Structural Laminated Veneer Lumber; Glued Laminated Timber and Finger Jointed Structural Lumber for Wood Framing Platform Construction products.
- 1.4 Forms and Methods for the Labeling of the Grade Plywood; Flooring; Laminated Veneer Lumber; Structural Laminated Veneer Lumber; Glued Laminated Timber and Finger Jointed Structural Lumber for Wood Framing Platform Construction products.
- 1.5 Beside part 1.1 to 1.5 above, All the relevant provisions of the JAS Law the Enforcement Regulations Ministry Ordinances and the like shall be applied to.

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- 1.6 **ISO/IEC 17065 : Conformity Assessment – Requirements For Bodies Certifying Product, Process And Services**
- 1.7 Pedoman 401 – 2000 of the Indonesian National Standardization Body i.e. PERSYARATAN UMUM LEMBAGA SERTIFIKASI PRODUK.
- 1.8 JAS Quality Manual PT Mutuagung Lestari
- 1.9 ISO 10011 – 1, 2, and 3 : Guidelines for Auditing Quality System
- 1.10 **ISO 9000 – 2015 : Quality Vocabulary**

With the appearance of this book hopefully can give an illustration and guidance concerning to JAS certification code of practice which will affect the better cooperation between MAL and manufacturers.

**2. SCOPE OF THE CERTIFICATION CONDUCTED BY MAL**

Each manufacturer is allowed to use MAL services for JAS product certification of the following product categories:

| NO. | Product Category | Item of Products |   |
|-----|------------------|------------------|---|
| 1   | Plywood (P)      | P1-LF            | Plywood for general use   |
|     |                  | P1-LF-IR         | Plywood for general use with insect control treatment           |
|     |                  | P2               | Concrete form plywood   |
|     |                  | P2-LF            | Concrete form plywood, low formaldehyde emission                |
|     |                  | P3               | Concrete form plywood, surface finished                         |
|     |                  | P3-LF            | Concrete form plywood, surface finished, low formaldehyde       |
|     |                  | P4               | Structural plywood  |
|     |                  | P4-IR            | Structural plywood with insect control treatment                |
|     |                  | P4-LF            | Structural plywood, low formaldehyde emission                   |
|     |                  | P5-LF            | Natural wood decorative plywood                                 |
|     |                  | P5-LF-IR         | Natural wood decorative plywood with insect control             |
|     |                  | P6-LF            | Specially processed decorative plywood                          |
|     |                  | P6-LF-A          | Specially processed decorative plywood with insect control      |
| 2   | Flooring (F)     | F1               | Flooring board  |
|     |                  | F1-LF            | Flooring board (Low formaldehyde)                               |
|     |                  | F1-IR            | Flooring board with insect control treatment                    |
|     |                  | F1-LF-IR         | Flooring board with insect control treatment (Low formaldehyde) |
|     |                  | F2               | Flooring block  |
|     |                  | F2-LF            | Flooring block (Low formaldehyde)                               |
|     |                  | F2-IR            | Flooring block with insect control treatment                    |
|     |                  | F2-LF-IR         | Flooring block with insect control treatment (Low formaldehyde) |
|     |                  | F3               | Mosaic parquet  |
|     |                  | F3-IR            | Mosaic parquet with insect control treatment                    |
|     |                  | F3-LF-IR         | Mosaic parquet with insect control treatment (Low formaldehyde) |

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| NO. | Product Category  | Item of Products |   |
|-----|---|------------------|---|
|     |   |                  |   |
|     |   | F7-LF            | Composite flooring  |
|     |   | F7-LF-IR         | Composite flooring with insect control treatment  |
| 3   | Laminated Veneer (L)  | L1-LF            | Laminated veneer lumber   |
|     |   | L1-LF-IR         | Laminated veneer lumber with insect control   |
|     |   | L2               | Structural Laminated veneer lumber  |
|     |   | L2-LF            | Structural Laminated veneer lumber, low formaldehyde  |
| 4   | Glued Laminated Timber (G)  | G1-LF            | Glued laminated timber for fixtures   |
|     |   | G1-LF            | Glued laminated timber for fixtures, low formaldehyde emission  |
|     |   | G2-LF            | Decorative glued laminated timber for fixture   |
|     |   | G3-LF            | Decorative Glued laminated timber for post  |
| 5   | Structural Panel (S)  | S1               | Structural Panel  |
|     |   | S1-LF            | Structural Panel, low formaldehyde emission   |
| 6   | Finger Jointed Structural Lumber for Wood Frame Platform Construction (J) | J1               | Finger Jointed Structural Lumber for Wood Frame Platform Construction for vertical framing                            |
|     |   | J1-LF            | Finger Jointed Structural Lumber for Wood Frame Platform Construction for vertical framing, Low formaldehyde emission |
|     |   | J2               | A Group FJSL  |
|     |   | J2-LF            | A Group FJSL, Low formaldehyde emission   |
|     |   | J3               | B Group FJSL  |
|     |   | J3-LF            | B Group FJSL, Low formaldehyde emission   |

**3. ADDRESSES and WORKING HOUR**

MAL has 3 office stations and laboratories, located in Jakarta and Samarinda – East Kalimantan. Besides that, MAL also had established an office station outside Indonesia, in Kagoshima (Japan). Any inquiry on the application registration would be submitted to President Director at the head office.

The addresses of MAL's offices and laboratories are as follows :

**OUR OFFICE**
**Head Office & Laboratory**

Jln. Raya Bogor KM 33.5 No. 19  
Cimanggis, Depok 16953  
The Republic of Indonesia  
Phone : (62 – 21) 8740202  
Fax : (62 – 21) 87740745 – 46  
E-mail : [webmaster@mutucertification.com](mailto:webmaster@mutucertification.com)

**JAPAN LAISON OFFICE**

222-1, Akaogi-Tatsuko-Cho,  
Oshima-Gun, Kagoshima-Ken  
894-0411, JAPAN  
Phone / Fax. : 0997-62-3150  
E-mail : [fwkh5909@mb.infoweb.ne.jp](mailto:fwkh5909@mb.infoweb.ne.jp)

**CODE OF PRACTICE****SAMARINDA LABORATORY**

Jl. Teuku Umar No. 18 Samarinda  
East Kalimantan 75126  
The Republic of Indonesia  
Phone : (62 – 541) 761233  
Fax : (62 – 541) 761094

Office hours of MAL are as follows:

Weekdays : 08.00 a.m. – 12.00 p.m., 01.00 p.m. – 17.00 p.m.  
Closed : Saturday, Sunday, and Holidays (specified under the Law for holidays of Indonesia) and from 31<sup>st</sup> of December to the 2<sup>nd</sup> of January

**4. CONFIDENTIALITY**

MAL is responsible for ensuring that the secrecy is well maintained by its employees and those of its sub-contractor, concerning all confidential information in which they become acquainted as a result of their contact with the MAL. MAL shall not disclose any information pertaining to a supplier or particular product without written consent of the manufacturer. Should the law require information to be disclosed to a third party; the client will be informed of the information provided as permitted by law.

**5. GENERAL CONDITION**

The basic conditions for obtaining registration are that the manufacturer agrees to and conform with the following procedures and rules:

- 5.1 All information deemed necessary by MAL in order to complete the evaluation program shall be made available by the manufacturer.
- 5.2 MAL, if not satisfy that all the requirements of registration being met, shall inform the manufacturer of those aspects in which the application has failed.
- 5.3 When the Manufacturer can show that remedial action has been taken within a specified time limit to meet the requirements, MAL will arrange, at an extra cost to the Manufacturer to repeat only the necessary part of evaluation.
- 5.4 If the Manufacturer fails to take remedial action within specified time limit, it may be necessary for MAL at an extra cost to repeat the evaluation in full.
- 5.5 Identification of conformity shall refer only to the site or sites evaluated and apply to the scope of the issued certificate as state on that certificate.

**CODE OF PRACTICE****6. REQUIREMENT OF APPLICATION FOR REGISTRATION**

Basic requirements for Manufacturer to participate in this certification program are as follows :

- a. Manufacturer shall appoint a qualified Person Responsible in Quality Management (RQ) and attached his/her CV, one or more Person in Charge of Grading (G) and attached his/her CV, List of Person in Charge of Surface Quality Inspection (SQ) and List of Internal Audit Team.
- b. Manufacturer shall hold a certain quality system document used as a guidance to fulfill its quality planning (standard requirement).
- c. Manufacturer shall have production process standard concerning item product to be certified.
- d. Manufacturer shall have facilities for production, inspection and testing state as lay out of factory, machineries, laboratory, list of machineries, list of inspection and testing apparatus.
- e. Person or Department responsible for grading shall independent and state in Organization Chart.
- f. Manufacturer shall conduct Quality Internal Audit activity using qualified auditors.

**7. INTIAL CONTACT**

After MAL received letter, facsimile. etc. contained request for certification from Manufacturer, quotation, application form, draft contract will be submitted to Manufacturer. After being filled and signed for approval, the quotation, application form should be return back to MAL together with controlled application document, quality system document. The Contract should be agreed by both sides before certification started.

**8. APPLICATION FOR REGISTRATION**

On the receipt of quotation and application from manufacturer together with controlled copies of relevant documentation, the project will be allocated to Auditor who will responsible for ensuring that the evaluation is carried out in the line with MAL Procedures (Figure 1 below).

**9. EVALUATION**

The evaluation for certification shall be carried out in two stages, i.e.:

- 1) desk study (document review) to ensure compliance with the requirements of production process and quality system, and
- 2) Evaluation on site to ensure that quality management system has been faithfully carried out.

Evaluation Visit contained two activities, i.e.

- 1) Factory Observation (FO) and
- 2) Product Quality Stability Inspection (PQSI).

For certification evaluation purpose MAL will conduct at least FO one time and PQSI two times (3 point).

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Manufacturer shall passed study desk and Evaluation Visit to gain the JAS certificate. Evaluation shall be carried out according to MAL working procedure and will be conducted to determine the conformance with the relevant standard and criteria. The evaluation shall be conducted following procedures below :

9.1 Auditor selection

Certification Operation Manager with the General Manager guidance shall select auditors to conduct the evaluation. The number is two as a minimum, which one of them would be Lead Auditor.

9.2 Document review

The evaluation team shall carry out a detail examination of submitted application document and prepare a detail report which should be submitted to Certification Operation manager for review and approval prior being facsimiled to the manufacturer.

9.3 Preparation for evaluation

The Evaluation Team should prepare the document necessary for evaluation such as itinerary, check list, etc. General Manager shall inform the manufacturer about the itinerary contained of date of evaluation, time table, location, opening and closing meeting times, name of auditor, etc.

9.4 Evaluation visit

At the opening meeting when auditors arrived in manufacturer’s plant, Lead Auditor shall explain the procedure and key issues of evaluation and also request cooperation from the manufacturer in providing accesses and an escort during the evaluation.

Manufacturer shall pass Evaluation Visit to gain the JAS certificate. Evaluation Visit contained two activities, i.e. Factory Observation (FO) and Product Quality Stability Inspection (PQSI). For certification evaluation purpose MAL will conduct at least FO one time and PQSI two times (3 point).

Evaluation Visit will be carried out in two steps. First Evaluation Visit are FO and PQSI and the second is PQSI, with the purpose of ensuring the consistency or stability of production process in regard to its quality product. The number of FO and PQSI to be done for evaluation certification purpose can be seen in the table 1 (Concrete form Plywood - CP for example).

Table 1. The minimum number FO and PQSI needed for JAS certification

| No. | Item product | Number of FO needed                   | Number of PQSI needed (point) |        |
|-----|--------------|---------------------------------------|-------------------------------|--------|
|     |              |                                       | First                         | Second |
| 1.  | CP           | 1 time (can be first or second visit) | 2 or 1                        | 1 or 2 |



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- Note :
1. First visit of PQSI can be conducted together with FO
  2. The kind of product or item above is also available for another
  3. If necessary, MAL will conduct FO or PQSI addition on the addition cost

During the evaluation, auditors shall record on the check list whether the requirement being accepted or not. Details must include reference to document, item product, etc. used to establish objective evidence.

When the non-conformance being identified, Auditors shall inform to manufacturer's representative and show the evidence in order that there is no misunderstanding and to provide an opportunity to the manufacturer to challenge the evidence and where appropriate produce evidence to the contrary.

In the closing meeting Lead Auditor shall make Non-Compliance Report of the non-conformance being identified and ask the manufacturer's representatives approval/signature.

All records produced for the implementation and operation of the manufacturer quality system shall be readily available for evaluation.

Manufacturer shall ensure that responsibility to MAL for the quality product system is clearly defined by appointing a designated person who is authorized to maintain contact with MAL. Any changes to the designated appointee must be confirmed to MAL in writing.

#### 9.5 Evaluation Report

Within 15 working days of the evaluation, Lead Auditor shall prepare the evaluation report and forwarded to Certification Operational Manager and General manager for review. General Manager shall prepare the Evaluation Review and submits the Evaluation Review Report to Judgment Team together with all application document.

Should the General Manager have issues to be revised or corrected, the manufacturer will be informed through following procedures :

- a. General Manager inform the manufacturer issues to be revised or corrected and request the manufacturer to report on the measures taken for the revision or correction of the issues concerned by a specific date.
- b. On the receiving the manufacturer report on the measures taken, General Manager makes the Lead Auditor re-evaluate whether the measures taken are conformed to the requirement
- c. Lead Auditor prepares re-evaluation report and forwards it to General Manager for review.
- d. General Manager submits the evaluation report and re-evaluation as well to Judgment team.

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Should the General Manager tell the Auditors to conduct once further evaluation visit, the General Manager must inform the manufacturer and MAL will apply part 9.3 until 9.5 of the Code of Practice

**9.6 Judgment and decision on the certification.**

The Chief of Judgment Team shall form a panel of minimum 3 members of the committee, which will always include the Chief of the Judgment Team as chairman. The Judgment team consists of Certification Operation Director, Certification Operation General Manager and Independent Senior Auditor.

The Judgment Team Panel shall review the submitted evaluation report to ensure that the evaluation was effectively and efficiently conducted at a level consistent with :

- a. JAS Law (Technical Criteria for the Certification of the Manufacturer, Japanese Agriculture Standard, Inspection Methods for the Agricultural and Forest Products)
- b. MAL working regulations
- c. Technical Criteria Standard of the manufacturer.

It may necessary, Judgment Team Panel to invite Technical Experts to ask their advice during the panel. However the Technical Experts can only give advice, Technical Experts will not take any active part during the panel.

Judgment team panel chairman should report the evaluation result to the President Director who will inform the manufacturer. The result should be :

**9.6.1 Recommendation of certification granting to the manufacturer**

**9.6.2** Issues further needed the corrective measures. In this case, General manager informs the manufacturer of the issues pointed out in the report of evaluation result and request the manufacturer to take necessary corrective measures and to report back the result of the measures taken by a specific date

**9.6.3** On receiving the report on corrective measure from the manufacturer within a specific period of time, minimum one of the Judgment team panel re-evaluates and confirms the conformance with requirements on issues concerned.

**9.6.4** Should the Auditors have to conduct once further evaluation visit, part 9.3 until 9.6 of this procedure should be conducted then.

**10. NOTIFICATION GRANTING OF THE CERTIFICATION**

President Director judges the acceptance or rejection based on the result of evaluation and informs the result to the manufacturer through his/her notification.

Matters specified in the notification of certification are as follows :

- a. Name and address of the manufacturer's top management
- b. Name and address of the manufacturer which produces certified agricultural or forestry

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- c. Item (types and classes) of the agricultural or forestry products to be granted
- d. Standard or Technical criteria on which the certification process is based
- e. Name and address of TTO conducted testing and inspection activity
- f. Number and date of certificate
- g. Conditions (notice of change, JAS certified manufacturer's obligation, etc.)

Matters related to JAS certified manufacturer and MAL as ROCB (Contract), should be return back to MAL, after signed by manufacturer's top management as a approval within 15 working days from notification date. However, provided that the manufacturer would not send contract at least 15 working days after notification, it is considered that the application would be withdrawn.

**11. GRANTING THE CERTIFICATION**

When certificate is issued. The Certificate shall remain the property of MAL and shall not be copied or reproduced in any manner the prior approval of the President Director of PT MAL. Granting the certification shall be done according to the following conditions :

- 11.1 The manufacturer has it approval to obey the obligation of JAS certified manufacturer, showed by return back the signed obligation to MAL within 15 working days.
- 11.2 Matters specified in the certificate are as follows :
  - a. Name and address of applicant
  - b. Name and address of manufacturer
  - c. Category and Item (types and classes) of product
  - d. Standard and Technical criteria on which the certification process is based
  - e. Name and address of TTO conducted testing and inspection activity
  - f. Number and date of certificate.

**12. PROCEDURE FOR CERTIFICATE MAINTENANCE****12.1 Audit**

Periodic audit visit shall be carried out following notification of the intended visit and will cover aspects of Quality Management System and or Product Quality in order to secure and confirm the conformance with the certification requirement.

Audit will be conducted by MAL twice a year regarding the manufacturer entrusts all the testing for grading to the third party testing organization and when there arises such a necessity for special audit as is a recognized by MAL.

MAL shall be granted the right of access for surveillance purposes whenever deemed necessary and shall reserve the right to make unannounced visits as required.

The certificate holder shall maintain records of all customer complaints relating to those products,

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process covered by the certificate and make these available to MAL on request. The Certificate holder shall be informed of the result of surveillance.

**12.2 Inspection and Testing for Grading**

According to JAS Inspection Method, Person in Charge of Grading (G) shall pick up sample randomly to be tested and inspected by Third Testing Organization (TTO).

TTO who conducting inspection and testing shall be approved by ROCB and shall enter into contract with the manufacturer. Judgment of the product shall be made upon the inspection and testing result of TTO.

**12.3 JAS mark labeling**

JAS certified manufacturer shall abide the followings in order to label the appropriate JAS mark within the scope of certification :

- a. JAS certified manufacturer shall have written permission from MAL to forms of labeling before using them
- b. JAS certified manufacturer shall appropriately manage to supervise the methods of marking and record the come and go of JAS mark labels in proper labeling forms.
- c. **If JAS certification were suspended or withdrawn, manufacturer is not allowed to use JAS Mark**

**12.4 Product modification**

The certification holder shall inform to MAL in writing of any intended modification of the product, production process or quality management system that may affect the compliance to the standard.

MAL will determine whether the notified changes require additional evaluation. Failure to notify MAL may result in suspension of the certificate.

**13. THE CHANGE OF THE CERTIFICATE SCOPE**

The change of the certificate scope could be extension or reduction of the scope. Due to the extension of the scope, in this case for the extended product for example, the Manufacturer shall fill a new application form (see clause 7). The Evaluation will be carried out only on the area or extended product including its production process. The cost of extending the certificate scope will be based on the nature and program of work.

Due to the reduction of the certificate scope, the resignation form shall be filled by the certificate holder including the item to be resigned and its reasons and sent to MAL together with certificate. MAL's President Director shall evaluate the resignation as well as manufacturer's obligation before draw an approval decision, then General Manager instruct the Administration Coordinator to publish this resignation.

**CODE OF PRACTICE****14. THE CHANGE OF CERTIFICATION REQUIREMENT**

The JAS certified manufacturer will be informed If there is a change in certification requirement in regard with quality system standard, product standard or certification system.

MAL shall take account of views expressed by interested parties before deciding on the precise form and effective date of the change. Following the decision on and publication of the changed requirement, MAL shall verify that each certificate holder makes any necessary adjustments within such time as in the opinion of MAL is reasonable.

**15. PUBLICITY OF CERTIFICATE HOLDERS**

A JAS certified manufacturer has a right to publish that the product, and its production has been evaluated and apply the relevant mark of conformity to stationary and promotional material relating the scope of registration as detailed on the Certificate.

**16. MISUSE OF A CERTIFICATE**

MAL shall take all reasonable pre-cautions to control the use of its Certificates. Incorrect reference to registration or misleading use of Certificate found in advertisement, catalogues, etc. shall be dealt with by suitable actions which could include suspension or withdrawal of a certificate, legal action and/or publication of transgression.

**17. SUSPENSION OF A CERTIFICATE**

A Certificate may be suspended for a limited period in cases such as the following :

- a. If non-compliance reports have not been closed out within the designated time limit.
- b. If a case of improper use of a certificate, e.g. misleading prints or advertising is not solved by suitable retractions or other appropriate remedial measures by the company.
- c. If there has been any other contravention of the MAL Codes of Practice.

The company shall not identify as registered any product that has been offered under a suspended certificate and immediately stop all advertising in this respect.

An official suspension of a certificate will be informed in writing by MAL to the company. At the same time, MAL shall indicate under which conditions the suspension will be removed. At the end of suspension period, an investigation will be carried out to determine whether the indicating conditions to reinstating the certificate have been fulfilled. On the fulfillment of these conditions the suspension shall be lifted and the company notified of the certificate reinstatement. If the conditions are not fulfilled, the certificate shall be withdrawn.

All costs incurred by MAL in suspending and reinstating of certificate will be charged to the company.

**CODE OF PRACTICE****18. WITHDRAWAL OF A CERTIFICATE**

A certificate may be withdrawn in the following cases :

- a. If inadequate measures are taken by the manufacturer in the case of suspension.
- b. If the manufacturer fails to comply with due settlement of its financial obligation.
- c. If the product, production process is no longer offered or the company ceases trading. In this case the manufacturer shall submit a resignation request to MAL and stating the reason
- d. Lack of ability to carry out production process of the manufacturer because of natural disaster
- e. If manufacturer can not keep the Quality of product stabilize.
- f. If manufacturer would not receive Audit by ROCB
- g. If manufacturer did not report grading.
- h. If manufacturer makes a misuse of JAS mark.

In case of 18 (a) and (b) above, MAL has a right to withdraw the certificate and informing the company in writing. The company may give notice of appeal (See clause 21).

No reimbursement of evaluation fee shall be given and withdrawal of a certificate shall be published by MAL.

Note: If JAS certificate has been withdrawn, manufacturer could not submit a new application during 1 year after withdrawing date.

**19. FEES**

Cost and fees necessary for the certification of the typical case would be as follows :

1. Cost and fees necessary for the certification process and evaluation :
  - a. Certification evaluation Rp. 20,000,000,- per one product item. When a manufacturer applies for several product items at a same time, for each one product item added, Rp. 13,500,000,- shall be added.
  - b. Products quality stability inspection fee (Based on TTO – MAL Testing price), 3 point shall be required as a minimum each item
  - c. Factory observation (FO) fees is depend on man day(s) needed for finish the FO. Numbers of man day(s) depend on Kind of product and number of production line which is evaluated.
  - d. The product quality stability inspection (PQSI) fee is Rp. 3,000,000,- per point to be inspected.
  - e. Travel expense for evaluation: Flight fare, transportation on site and hotels – applicant responsibility
2. Cost and fees necessary for the registration of certification: Rp 4,000,000,- per one product category of a manufacturer. When a manufacturer applies for several product category Rp 2,000,000,- shall be added per one category.
3. Cost and fees necessary for the maintenance of certification
  - a. Registration and certification maintenance fee Rp. 560,000,- per one item product per month
  - b. Audit fee and cost :

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- (1). Rp 7,150,000,- per manufacturer per one item product per one audit
- (2). Travel expense (see part 1 e above)
- c. Fee for marking the ROCB mark (optional)

## 4. Note :

- a. Costs and fees necessary for certification process and registration of certification would be paid in advance.
- b. Costs and fees necessary for the maintenance of the certification would be paid maximum 10<sup>th</sup> days of the next month
- c. When the additional evaluation or audit is necessary for the confirmation or corrective measures or other, additional costs and fees shall be necessary

The fees quoted shall exclude traveling and subsistence expenses which will be charge extra cost. All fees and additional charges are subject to local taxes in the country concerned at the appropriate rate.

**20. OBLIGATION OF A JAS CERTIFIED MANUFACTURER**

When the company was declared passed the evaluation and gathered the certificate, there are several consequences to be fulfilled, as follows :

- a. The manufacturer shall produce JAS certified goods in a compliance with JAS requirement (JAS standard, JAS technical standard, MAL working regulation) continually.
- b. In order to carry on the maintenance of product quality, the manufacturer is willing to be visited (inspected) by MAL every JAS production process. Therefore the manufacturer shall give information on JAS production schedule.
- c. Grading shall be made upon the result of inspection and testing conducted by TTO. Samples shall be picked up randomly based on relevant standard and inspection method.
- d. The manufacturer shall sending grading report (stamped/labeled product) maximum the 10<sup>th</sup> of the next month.
- e. The manufacturer shall report the number of JAS stamp of each certified item product every month.
- f. The manufacturer shall report any change of the contain of Application Form
- g. The manufacturer should be willing to be audited by MAFF
- h. The company shall fulfill its obligation on fees according to clause 20 above.
- i. Any claim the manufacturer received must be responded and report the action have been taken to MAL
- j. If the manufacturer willing to stop the production or is going bankrupt, the manufacturer should report to MAL

**21. APPEALS AND DISPUTES**

If for any reason is given may result in a Certificate being withdrawn or a dispute of any kind arises between two parties, the company has a right to appeal. All appeals should be in writing

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directed to General Manager and received within seven days of notification of Certificate withdrawal, together with relevant facts and data for consideration during the Appeals Procedure.

All appeals submitted to MAL are put before the Judgment Team's panel. MAL shall be required to submit evidence to support its decision to withdraw certificate.

The decision of the Judgment Team's panel shall be final and binding on both the company and MAL. Once the decision regarding the appeal has been made, no counter-claim by either party in dispute can be made to amend or change this decision.

In instance where the appeal has been successful and the certificate reinstated, no claim can be made against MAL for reimbursement of costs or any other losses incurred as a result of the initial withdrawal notification.

### 22. CLIENT'S MANUFACTURER COMPLAINT

The JAS certified manufacturer shall make all complaints received from customers available to MAL's inspectors / auditors at each and every visit.

### 23. COMPLAINTS FROM MANUFACTURER TO MAL

Should the manufacturer have cause to complaint, regarding the conduct of MAL employees or sub-contractors, the complaint should be made in writing and addressed to the General Manager of MAL.

### 24. COMPLAINTS FROM MAL TO MANUFACTURER

MAL's complaints to customer are complaints regarding to non-conformity product against product standard requirement. All non-conformity shall be closed out within the designated time limit.

The customer shall file MAL's Non Conformity Report and together with corrective action to be carried out. The result of corrective action will be verified by MAL's inspector / auditor within designated time limit or in the next visit.

### 25. JUDGMENT TEAM RESPONSIBILITIES

The Judgment Team, under the direction of the Chief of The Judgment Team, shall be responsible for taking appropriate action on any relevant mater where their advice or decision is not taken or acknowledge respectively.

### 26 CODE OF CONDUCT

**Second party** business is founded upon **Second party** reputation. **Second party** clients, their clients and a wider group of stakeholders all rely upon **Second party** to be independent, impartial and ethical.



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Acting in a professional manner is essential to the success of our business. All employees, sub-contractors, subsidiaries, associated companies and authorized representatives have a responsibility to ensure that they promote good working practices, behave in accordance with the highest professional standards, and abide by this Code of Conduct.

This Code of Conduct has been approved by the Board of Directors, who retains responsibility for upholding its requirements.

### General Code of Conduct:

- a. To act with fairness, honesty and integrity at all times and comply with the Code of Conduct and Anti Bribery Policy
- b. To act within the law, upholding current legislation and practices of the company
- c. To work safely, upholding the health & safety policies and practices of the company
- d. To communicate clearly, effectively and openly
- e. To safeguard all confidential information and act in accordance with Certification Contract
- f. To be accountable for our actions
- g. To treat colleagues, clients and other stakeholders with an appropriate level of respect and consideration
- h. To respect matters of faith, conscience and diversity in their widest sense
- i. To avoid behavior that could be regarded as harassment, bullying, exploitation or intimidation
- j. To safeguard the reputation and assets of the company

## 27 Anti-Bribery

**MAL** recognizes that it has a legal responsibility to prevent and discourage bribery because its clients and other parties rely on its honesty and impartiality as a Certification Body. This policy therefore explains in detail what **MAL** expects from office employees, auditors, subcontractors and other stakeholder.

A legal definition of bribery is *“an offer or receipt of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something that is dishonest, illegal or a breach of trust, in the conduct of the business”*.

### Unacceptable behavior

The following behavior is unacceptable:

- a. Accepting any inducement (financial or other reward) which results in a personal gain or advantage to the receiver or any person or body associated with them
- b. Requesting an inducement (financial or other reward) from any person in return for providing some favour
- c. Offering any inducement (financial or other reward) to any person in return for providing some favour

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### Business Gifts

From time to time customers, suppliers or other people and/or organizations might offer inspector/auditor/subcontractor a gift. This could be a small gift or something expensive. Gifts (including discounted services) of excessive value, typically more than **Rp. 500.000 or equivalent in others currency**, cannot be accepted, unless authorized by The Deputy Director management contact (in the case of a subcontractor).

### Notification of Gifts/Hospitality

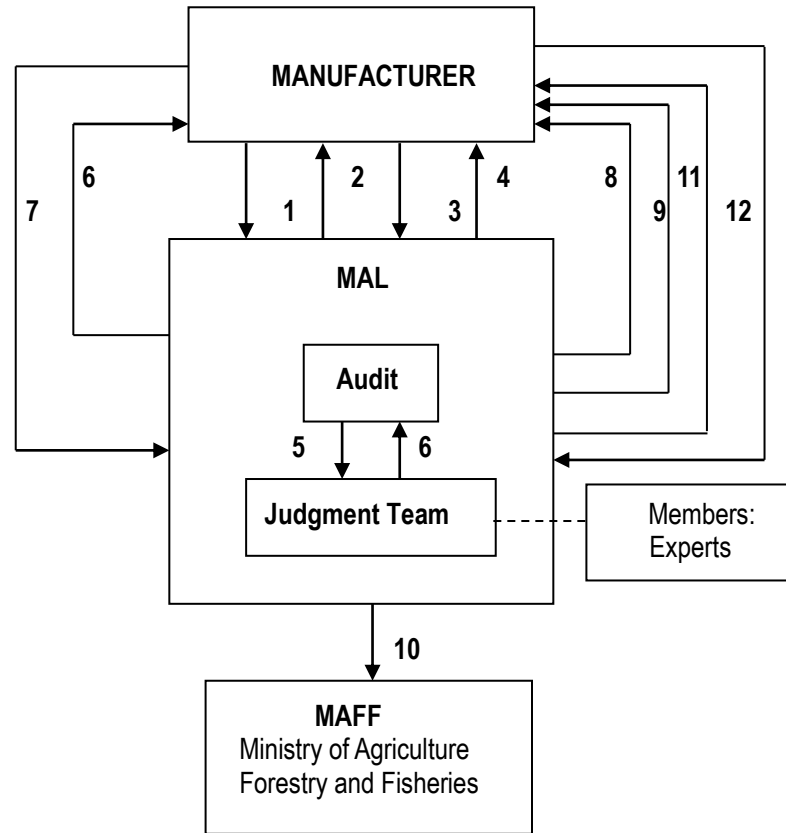
This policy is not meant to ban the following practices but they must be proportionate and customary in a particular market:

- a. Giving normal and appropriate hospitality
- b. Giving of a ceremonial gift at a festival or at another special time
- c. Offering resources to help the person or organization to make a decision more efficiently, provided that they are supplied only for that purpose.

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The Mechanism of Certification Process

The mechanism of the certification process can be described in the following scheme:



Note:

1. Letter of certification inquiry from the manufacturer
2. Submission of application form, Code of Practice, and relevant document
3. Submission of application document from manufacturer to MAL
4. Evaluation visit
  - a. Factory Observation/FO (once as a minimum)
  - b. Product Quality Stability Inspection/PQSI (twice as a minimum)
5. Evaluation report (from auditor to Judgment Team)
6. Evaluation result
7. Corrective action from manufacturer due to evaluation report (if any)
8. Certification decision
9. Notification of certification
10. Report to MAFF
11. Audit
12. Obligation of JAS certified manufacturer