

Monitoring summary report for CV Mekar Asih Rotan

MONITORING ID: 23-0197723



Monitored Party CV Mekar Asih Rotan	amfori ID 360-000126-000	Address Jl. Yudistira No.91 RT.006 RW.002, Desa/Kelurahan Karangasem, Kec. Plumbon Kab Cirebon Provinsi Jawa barat, 45158 Kabupaten Cirebon, Jawa, Indonesia
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner TUV Rheinland
Monitoring Start Date 28/06/2023	Closing Meeting Finished Date 29/06/2023	Submission Date 11/07/2023
Expiration Date 11/07/2025	Announcement Type Semi Announced	
Site CV Mekar Asih Rotan	Site amfori ID 360-000126-002	

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OVERALL RATING



SECTION RATING

PA1: Social Management System	C	
PA 2: Workers Involvement and Protection	A	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination	A	
PA 5: Fair Remuneration	A	

PA 6: Decent Working Hours	A	
PA 7: Occupational Health and Safety	A	
PA 8: No Child Labour	A	
PA 9: Special Protection for Young Workers	A	
PA 10: No Precarious Employment	A	
PA 11: No Bonded Labour	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	A	

GENERAL DESCRIPTION

The full monitoring audit was conducted on address of CV. Mekar Asih Rotan is Jl. Yudistira No.91 RT.006 RW.002, Desa/ Kelurahan Karangasem, Kec. Plumbon Kab Cirebon Provinsi Jawa barat, 45158 Kabupaten Cirebon, Indonesia. the facility was assessed by TUV Rheinland the assessment team (Angga Wijaya with APSCA No, RA 21703319) with Semi Announced window on 1 auditor for 1 day audit. The total building area that the factory occupies is around 2759 square meters, with the total land area being 13315 started square meters. Since 1993, they have operated out of the current location. Three structures can be seen, including a warehouse and two production floors (incoming material, inspection, sanding, cutting, accessories, finishing, and packing). For support services like canteens and clinics (the security office is in the same building), there is another separate building on the property. All the buildings are their own. The building is not shared by the facility. Rattan baskets, indoor furniture, and outdoor furniture are the facility's main products. No outside the process, homework, or subcontractors are used by the factory.

Management claims there is never a peak month period.

There were currently 23 people working in the factory, including 7 non-production (including office admin staff and management) and 16 production (9 male and 7 female).

Based on the review of documents and management interviews, the factory ran as follows for six days: Working hours are 08.00 – 16.00 from Monday through Thursday and Saturday, with a break from 12 – 13.00, and 08.00 – 14.00 from Friday with a break from 12 – 13.00. Sunday is a free day. It was noted that employees receive monthly bank deposits as payment. Payday occurs on a monthly basis (i.e., at the end of each month), with a cutoff date of the 26th and a cash payment deadline of the 25th of the following month. There is a fingerprint-based electronic timekeeping system. In accordance with Indonesian law, the facility's minimum wage is IDR 2,430,780.83 (for the period of 2023) and is paid to employees as their basic salary.

The facility provided 12-month time attendance and payroll records for the months of June 2022 to May 2023. The payroll and timekeeping records for the three months of May 2023 (the most recent month), March 2023 (a randomly chosen month), and November 2022 (randomly chosen month) for seven chosen employees were reviewed.

The reason an auditing firm did not use GLWC data to determine living wages is that it only estimates them for urban areas, and Indonesia has 416 districts and 98 cities, each with its own minimum wage. The minimum wage in this case is IDR 2,430,780.83 per month in the Kabupaten Cirebon, which is less than the minimum wage in other areas/cities.

The auditing company used the following information and sources to calculate the living wage:

- A food basket from the Indonesian Nutrition Institute.
- Market price analyses for the food sector.
- Government statistics show that the typical family size is

There is no housing for employees. There is an eating area for employees. No transportation is offered to employees. It was noted that the specific auditee is exempt from the requirements for contractor licenses, agency labor contracts, government waivers, and stability/structure licenses.

Finding summary brief for each question:

1.1. The implementation gaps in the performance area, implementation is ineffective.

1.3. The factory had not monitored the social performance of their business partner

5.5. Not all employees are covered by the BPJS social insurance program.

7.1.

1. facility did not have a certified Health and Safety Expert.
2. There is no P2K3 (Health and Safety Committee) at the facility.

7.11 Factory had not obtained a Functional Building License (SLF) from the relevant Bureau as required. [Public Minister Regulation No. 28 year 2002]

Good Example: None observed.

The assessment team explained each finding in detail during the closing meeting and provided participants with an opportunity to clarify any points as needed. They signed the CAP and acknowledged their understanding of each of the findings discussed, as well as their agreement on every point. The assessment team thanked the factory for their cooperation and gave them a copy of the draft findings before leaving.

SITE DETAILS

Site
CV Mekar Asih Rotan

Site amfori ID
360-000126-002

GICS Classification

Sector
Consumer Discretionary

Industry Group
Consumer Durables & Apparel

Industry
Household Durables

Sub Industry
Home Furnishings

amfori Process Classifications

N.A.

NACE Classification

Manufacture of furniture

GS1 Classifications

N.A.

Water Stress Situation

This site is not located in a water stressed region

METRICS

Key Metrics

Total workforce	23	Workers
Legal minimum wage in local currency	2,430,780.83	Monthly
Lowest wage paid for regular work at the site	2,430,780.83	Monthly
Calculated living wage in local currency	2,430,599.47	Monthly
Total sample	7	Workers

Other Metrics

Male workers	14	Workers
Female workers	9	Workers
Permanent workers - Male	14	Workers
Permanent workers - Female	9	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	3	Workers
Management - Female	2	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers with night shift - Male	0	Workers
Workers with night shift - Female	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	14	Workers
Workers hired directly - Female	9	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Pregnant workers	0	Workers

Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Sample - Male	4	Workers
Sample - Female	3	Workers

FINDINGS

PA1: Social Management System

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
The establishment developed a management system in an effort to fulfill amfori-BSCI requirements. However, as shown by the implementation gaps in the performance area, implementation is ineffective. Considering that 10 out of 13 PA were without finding, auditor selected rating "Partially" instead of "No".	Perusahaan mengembangkan sistem manajemen dalam upaya memenuhi persyaratan amfori-BSCI. Namun, seperti yang ditunjukkan oleh kesenjangan implementasi di area kinerja, implementasi tidak efektif. Menimbang bahwa 10 dari 13 PA tidak ditemukan, peringkat yang dipilih auditor "Sebagian" dan bukan "Tidak".
It has been noted that the factory has established an updated supplier. However, it showed that the factory had not monitored the social performance of their business partner to ensure compliance with regulations and laws. Consider that missing internal audit to business partner, auditor selected rating "Partially" instead of "No".	Telah dicatat bahwa pabrik telah menetapkan pemasok yang diperbarui. Namun, hal ini menunjukkan bahwa pabrik belum memantau kinerja sosial mitra bisnis mereka untuk memastikan kepatuhan terhadap peraturan dan hukum. Pertimbangkan bahwa tidak adanya audit internal terhadap mitra bisnis, auditor memilih peringkat "Sebagian" dan bukan "Tidak".

PA 5: Fair Remuneration

Site: CV Mekar Asih Rotan | Site amfori ID: 360-000126-002

ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>1. During the document review, employee interview, and management discussion, it was found that only 18 out of 23 employees were covered by the BPJS Health Insurance program. [Regulation No.111-year 2013 regarding Health Insurance Article 11(1)]</p> <p>2. During a review of social security insurance (BPJS Ketenagakerjaan) payment records, only 18 out of 23 employees are covered by the security insurance program (BPJS Ketenagakerjaan). [Government Regulation No. 14 on Social Security Scheme (1993), Art. 5 (1)(2) (1)]</p> <p>Considering that the case happened to not all employees including to 18 out of 23 selected employees, auditor selected rating "Partially" instead of "No"</p>	<p>1. Selama tinjauan dokumen, wawancara karyawan, dan diskusi dengan manajemen, ditemukan bahwa hanya 18 dari 23 karyawan yang tercakup dalam program Jaminan Kesehatan BPJS. [Peraturan No.111 tahun 2013 tentang Jaminan Kesehatan Pasal 11(1)]</p> <p>2. Dalam penelaahan terhadap catatan pembayaran BPJS Ketenagakerjaan, ditemukan bahwa hanya 18 dari 23 karyawan yang tercakup dalam program BPJS Ketenagakerjaan. [Peraturan Pemerintah No. 14 tentang Skema Jaminan Sosial (1993), Pasal. 5 (1)(2) (1)]</p> <p>Mengingat kasus ini tidak terjadi pada semua karyawan, termasuk 18 dari 23 karyawan yang dipilih, auditor memilih peringkat "Sebagian" dan bukan "Tidak"</p>



PA 7: Occupational Health and Safety

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
<p>The primary auditee partially adheres to this principle based on limited evidence.</p> <p>1. It was observed during document review, employee interviews, and management discussions that It was found that the facility did not have a certified Health and Safety Expert. [Labor Minister Regulation No. PER.04/MEN/1987 on Workplace Health and Safety Committee and Appointment of Occupational Safety Expert (1987), Art. 3(2)]</p> <p>2. During document review, employee interviews, and management discussions, it was noticed that there is no P2K3 (Health and Safety Committee) at the facility. [Labor Minister Regulation. No: PER.04/MEN/1987 on Workplace Health and Safety Committee and Appointment of Occupational Safety Expert (1987), Art. 2]</p> <p>Considering that the facility had internal Health and Safety team, auditor selected rating "Partially" instead of "No"</p>	<p>Auditee utama sebagian mematuhi prinsip ini berdasarkan bukti yang terbatas.</p> <p>1. Selama tinjauan dokumen, wawancara karyawan, dan diskusi dengan manajemen, ditemukan bahwa fasilitas tersebut tidak memiliki Ahli Keselamatan dan Kesehatan Kerja yang bersertifikat. [Peraturan Menteri Tenaga Kerja No. PER.04/MEN/1987 tentang Panitia Pembina Keselamatan dan Kesehatan Kerja dan Penunjukan Ahli Keselamatan Kerja (1987), Pasal. 3(2)]</p> <p>2. Selama tinjauan dokumen, wawancara karyawan, dan diskusi dengan manajemen, diketahui bahwa tidak ada P2K3 (Panitia Pembina Keselamatan dan Kesehatan Kerja) di fasilitas tersebut. [Peraturan Menteri Tenaga Kerja. No: PER.04/MEN/1987 tentang Panitia Pembina Keselamatan dan Kesehatan Kerja dan Penunjukan Ahli Keselamatan Kerja (1987), Pasal. 2]</p> <p>Mengingat fasilitas tersebut memiliki tim Kesehatan dan Keselamatan internal, auditor memilih peringkat "Sebagian" dan bukan "Tidak"</p>
<p>During the document review and management discussion, it was noticed that the Factory had not obtained a Functional Building License (SLF) from the relevant Bureau as required. [Public Minister Regulation No. 28 year 2002].</p> <p>Considering building was made from permanent steel and cement construction, and it was observed that building was in good condition to be used, no crack on the wall and no crack on tile, auditor selected rating "Partially" instead of "No"</p>	<p>Selama tinjauan dokumen dan diskusi manajemen, diketahui bahwa Pabrik belum memperoleh Surat Izin Laik Fungsi (SLF) dari Dinas terkait seperti yang dipersyaratkan. [Peraturan Menteri Pekerjaan Umum No. 28 tahun 2002].</p> <p>Mengingat bangunan terbuat dari konstruksi permanen permanen dan konstruksi baja dan semen, dan diamati bahwa bangunan dalam kondisi baik untuk digunakan, tidak ada retakan pada dinding dan tidak ada retakan pada genteng, auditor memilih peringkat "Sebagian" dan bukan "Tidak"</p>