

SUMMARY REPORT OF CONTROL DOCUMENT AUDIT

INDONESIAN
BLUE SWIMMING CRAB
ASSOCIATION



2019
JANUARY-FEBRUARY

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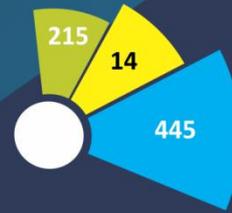
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INDONESIAN BLUE SWIMMING CRAB CONTROL DOCUMENT



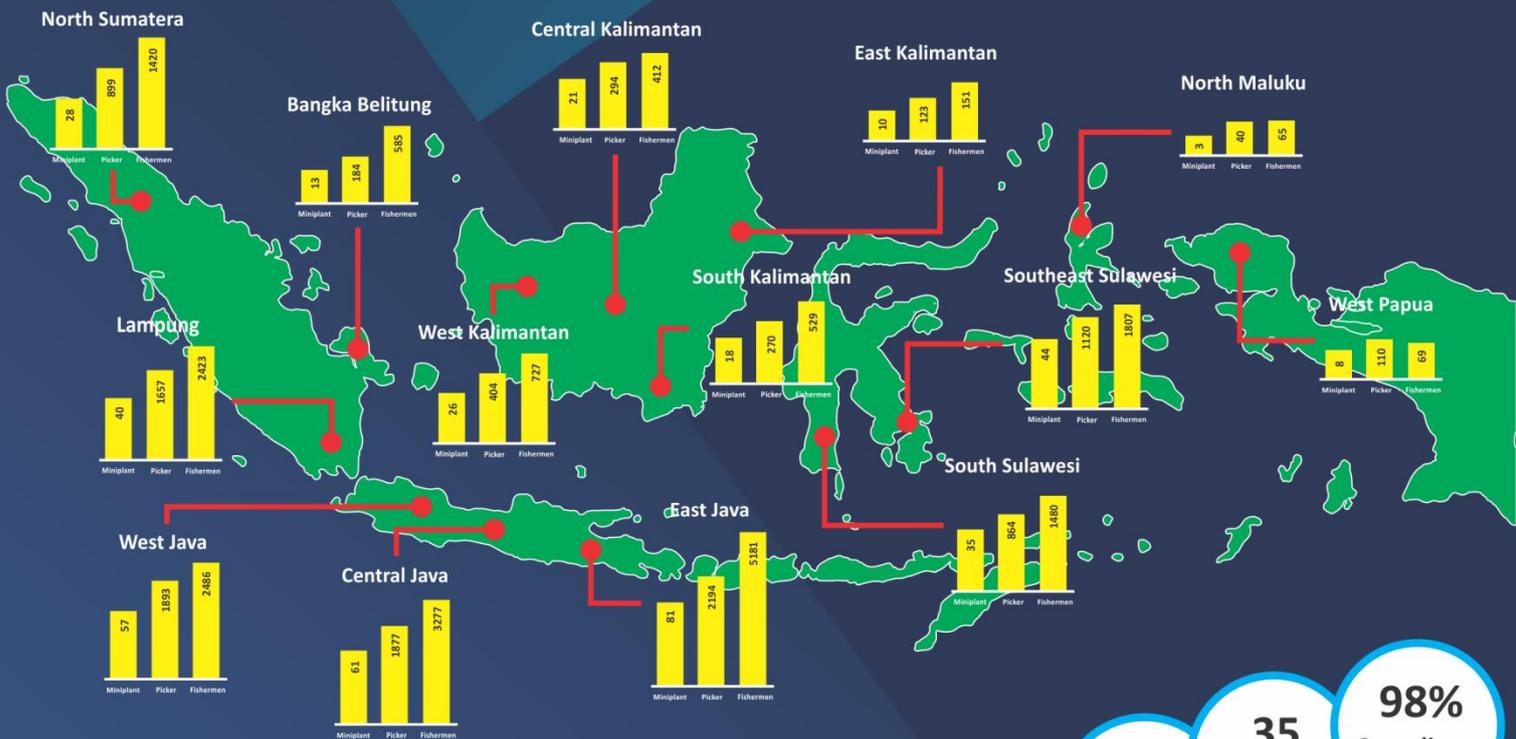
Control document is a supply chain device that is used to support the implementation and compliance with the rules that apply to Indonesian crab fisheries, while at the same time improving the quality of exported crab products

IMPLEMENTATION OF LETTER OF WARRANTY



- Miniplant identified in Indonesia
- APRI members submit the letters to their buyers (NFI CC)
- Miniplants have submit the letters to their buyers

MINIPLANT MAPPING & CENSUS



APRI APPS

Facilitate data collection related to control documents, Backup data in digital form, Increase assurance of data traceability in each supply chain

- Reg/Login
- Dashboard
- Data
- Activity
- Report
- Approval



Control Document Audit

- 14 APRI Members
- 35 Miniplants
- 98% Compliance

STEERING COMMITTEE MEETING

Steering Committee for Traceability and Catch Documentation of Blue Swimming Crab established on May 22, 2018 through General Directorate of Strengthening Companiveness of Marine and Fisheries Product Decree No. 74/KEP-DJPDPKP/2018

The Steering Committee meeting to evaluate results of audit reports is planned to be conducted by the end of March

1.1 INTRODUCTION

The world's demand for protein needs is increasing, as will consumer awareness of products that have a sustainability system where when traced the product is not a product produced by destroying the natural surrounding or endangering other living things. In the United States (USA), the Food Safety Modernization Act of 2011 (Anon, 2011) allows the Food and Drug Administration (FDA) to order the establishment of a food product search system. Indonesia as one of the expected to start a process of change that leads to the needs of consumers who prioritize the sustainability of a product.

Overtime the existence and availability of blue swimming crab (*Portunus pelagicus*) has decreased the populations, so it necessary to limit the catching of blue swimming crab (*Portunus pelagicus*). The government has responded to this issue with regulations issued in 2015 namely:

- a. Ministerial Regulation No. 1/2015: minimum landing size for blue swimming crab (10 cm) and forbidding the capture of egg berried female of blue swimming crab (MMAF 2015a).
- b. Ministerial Regulation No. 2/2015: Trawl ban in all fisheries management areas in Indonesia (MMAF 2015b).

This ministerial regulation is a positive step to support the sustainability of the blue swimming crab fisheries in Indonesia, but of course this is supported by implementation in the field. Fisheries management in Indonesia has developed into a decentralized system, where each region can introduce regional specific regulations. Management will not run well if only done unilaterally so that coordination is needed at the national level and also all stakeholder including the industry.

1.2 OBJECTIVES

The Control Document Audit System is structured for the purpose of:

- a. Encourage an ethical culture in the internal supervision profession of blue swimming crab fishery in Indonesia, especially in compliance with Ministerial Regulation No. 1 and 2 Year 2015 through the implementation of control documents as a document that can browse the product of blue swimming crab that according to the rules set and can be used as a proof of the supplier to buyers.
- b. Creating a trustworthy, integrity, objective, accountable and supervisory internal auditor to enable a credible auditor to perform optimally in supervision.

1.3 FUNCTIONS

The Control Document Audit System is structured for the function of:

- a. It is a guideline for every auditor on the principle of professionalism outlined so as to be able to know things that can be done and which should not be done.
- b. It is a means of control to prevent outside interference with the auditor's profession in conducting supervision.

1.4 ETHIC PRINCIPLES

- a. Integrity

Integrity is a quality, nature or state that shows a unified whole that has the potential that exudes dignity and honesty.

- b. **Objectivity**
Objectivity is an honest attitude that is not influenced by opinions and personal or group considerations in making decisions or actions, capable of showing the highest level of professional objectivity in collecting, evaluating and communicating information about the activity or process being audited. APRI's internal auditors make balanced assessments of all relevant circumstances and are not influenced by self-interest or other organizations in making judgements.
- c. **Accountable**
Accountable is the ability to convey accountability or to answer and explain the performance and actions of a person to a party who has the right or authority to request information or accountability. APRI's internal auditors are obliged to convey responsibility for their performance and actions to those who have the right or authority to request information or accountability.
- d. **Professional Behavior**
Professional behavior is a behavior that is the characteristic, quality and quality of a professional or professional person where it requires special skills to run it. APRI's internal auditors should act in a manner consistent with the reputation of a good profession and refrain from any behavior that may deprive the trust of the profession of internal or organizational oversight.

1.5 RULES OF CONDUCT

To apply the principle of integrity, APRI's internal auditor shall:

- a. Doing the job with honesty, diligence, and responsibility.
- b. Obey the law and make disclosures required by statutory and professional provisions.
- c. Does not accept gratuities related to positions of any kind.

To apply the principle of objectivity, APRI's internal auditor shall:

- a. Do not accept anything in any form that may interfere with or reasonably suspect its professional judgement.
- b. Disclose all known material facts, is facts which otherwise disclosed may alter or influence decision-making or mask the existence of unlawful practices.

To apply the principle confidentiality, APRI's internal auditor shall:

- a. Be cautions in the use and protection of information obtained in their work.
- b. Not use information for personal gain or any way that would be contrary to statutory or adverse terms.

To apply the principle competence, APRI's internal auditor shall:

- a. Provide services that can be completed as long as it has knowledge, skills and skills, and experience required.
- b. Conducting supervision in accordance with the Indonesian Internal Audit Standards.
- c. Continually improving the skills and effectiveness and quality of the performance of its duties, whether derived from formal education, training, certification, or work experience.

To apply accountable principles, APRI's internal auditor shall:

Deliver responsibility or answer and information on its performance and actions individually or collectively to the party having the right or authority to request information or accountability.

1.6 AUDITOR RELATIONS WITH AUDITEE

In connection with the auditee, APRI's internal auditor shall:

- a. Maintain performance in accordance with the task.
- b. Establish cooperation with mutual respect and support the completion of tasks.
- c. Avoiding any actions and behaviors that give the impression of breaking the law or professional ethics especially when on duty.

1.7 AUDITOR PROHIBITION

APRI's internal auditors are prohibited from doing the following:

- a. Conduct oversight beyond the scope set out in the assignment letter.
- b. Use confidential data/information for personal or group interests.
- c. Receive an award from audits related to the decisions and professional judgement.

1.8 VIOLATIONS

- a. Violations of the Code may result in internal auditors being warned or dismissed from supervisory duties.
- b. APRI's internal auditors are not allowed to engage or coerce other employees in unlawful or unethical conduct.
- c. The forms of sanctions include: written warning, suggestion of dismissal from the monitoring team and no assignment of supervision for a specified period of time.

1.9 WORK SCOPE

- a. Conducting surveillance, inspection in accordance with the ordered and contained in contract work.
- b. Checking the suitability of control documents in the supply chain as needed.
- c. Provide reports on results of supervision and examination to APRI no later than 1 week after the audit is done.

RESULTS

CONTROL DOCUMENT AUDIT ON INDONESIAN BLUE SWIMMING CRAB FISHERY

2.1 LIST OF MINIPLANT

Control Document Audit conducted at January-February 2019 on 15 APRI's member. Below are the data of industries and miniplants who have carried out the Control Document Audit:

No	Nama Perusahaan	Miniplant
1	Handy Seafood International, Inc.	MP H. Sutoyo
		MP Asrofik Tuban
		MP Sukri Sluke
2	Kelola Mina Laut	MP Samudra Ujung Pangkah
3	Bumi Menara Internusa	MP Vebry Rembang
		Miniplant madura 2 Bangkalan
4	Nirwana Segara	Miniplant Indah Paciran
		Miniplant Zulfah Paciran
		Miniplant Mina Agung Pasuruan
		Miniplant Musafaah/Anas Bangkalan
5	Grahamakmur Ciptapratama	Miniplat UD Minatrans Cirebon
		Miniplant Rozikin - Lamongan
		MP Bintaro
		MP Legirah
6	Sumber Mina Bahari	MP Kharis Rembang
		MP Prpto Tayu
		MP Jumiang Indah
		MP Khoril Lamongan
7	Muria Bahari Indonesia	MP Danik Tuban
		MP Suwono Batang
8	Phillips Seafoods Indonesia	MP RYS Pernalang
		MP Kedawang Pasuruan
9	Pan Putra Samudra	MP Dua Putri
		MP Yoyok Rembang
10	Rex Canning	UD Golden Crab Gresik
11	Kemilau Bintang Timur	MP Rudi
		MP H. Juma
		MP Samad
		MP Susi
12	Toba Surimi Industries	MP Fauzi
		MP Abdurrahim
13	Mutiara Laut Abadi	MP Encek
		MP Uner
		MP Aseng
14	Blue Star Anugrah	MP Pandawa

2.2 FIELD REPORT

Audit document control in 35 miniplants from 14 industries conducted at January – February 2019. The data scope being audited was data in November-December 2018. The audit process includes examination and completeness of documents, calculation of the amount of receipt and delivery of blue swimming crab meat, as well as checking the types of boats and fishing gear used by fisherman. Through this auditing process, can provide information crawl fisheries information. From the identification this miniplant has traceability record are very good, the miniplant owner already has a record for the document such as:



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- a. Landing report at the supplier
- b. Shipment letter from supplier to miniplant
- c. Shipment letter copy from miniplant to plant and recorded of the processing raw cooked at miniplant

The result of the audit, based on the total number of total input/acceptance of the blue swimming crab meat and the output/delivery per meat specification, as well as calculation of meat losses, at all miniplants are in accordance with the calculations. In the audit there are only a few findings by auditor, among others:



- a. When sampling at the miniplant, there are found sizes of less than 10 cm of blue swimming crab as much as 5.7% and egg berried female blue swimming crab caught 8.5%.
- b. Report on the production of blue swimming crab meat per meat type for the same Lot for each booster/boiling station 100% compliance.
- c. Report the delivery of blue swimming crab meat from the miniplant to the factory 100% compliance.
- d. Proof of receipt (receipt) of blue swimming crab meat per shipment from the miniplant after going through the quality control process at the factory 82.9% compliance.
- e. Letters of travel (Shipping Letters) from miniplant to the factory per shipment 94.29% compliance.
- f. Report on RC (raw cooked) receipts or boiled blue swimming crab from collectors/boiling stations per collector/boiling station (after weighing and re-checking) in the Miniplant 88.57% compliance.
- g. Road Letters (Delivery Letters) of RC (raw cooked) or boiled blue swimming crab from collectors (boiling stations) to miniplants. So overall, almost all miniplants have complete documents in the process of collecting, boiling and shipping data 85.71%.

2.3 FIELD DOCUMENTATION

PT. NIRWANA SEGARA

LAPORAN PENDINGINAN RAJUNGAN

Nama Suplier / Perkebun: Pandhita Tanggal: 25.11.2018

Lokasi Perawatan: Cibabon

No Basket / No Lot:

No	Nama Melayan	Alat Tangkap	Total RM	RM Diterima	RM Yg Direject
1	36,5	36,5	-
2	15,5	15,5	-
3	25,5	25,5	-
4	10	10	-
5	5,5	5,5	-
6			

"Mari Kita Lakukan Rajungan Dengan Tidak Menemba Rajungan < 10 Cm"

Dibuat Oleh

Figure 1. Shipment letter

LAPORAN PENDINGINAN RAJUNGAN

Nama Suplier / Perkebun: Pandhita Tanggal: 25.11.2018

Sumber BB: CIBABON

Area/Vendor: 25-11-2018

Tgl proses/pengiriman: 25-11-2018

PT. NIS

SURAT JALAN

PENGIRIMAN BARANG DARI SUPPLIER

NO	JENIS	PENGIRIMAN			SARANA PACKING		Keterangan
		Kg	Toples	Plastik	Box	Fiber	
1	Jumbo Colossal						
2	Jumbo	108,05	321				
3	Jus						
4	Backfin	10,055	30				
5	Lump Flower						
6	Lump						
7	Spesial	200,520	357				
8	Clewermaat						
9	et	220,280	102	262			
		5	5	5			
TOTAL		646,040	900	262			

Pengirim/Driver: [Signature]

Suplier: [Signature]

Receiving: [Signature]

Figure 2. Shipment letter from supplier to plant



Figure 3. Audit process of the Control Document



Figure 4. Peeling process of the blue swimming crab meat



Figure 5. Gill net

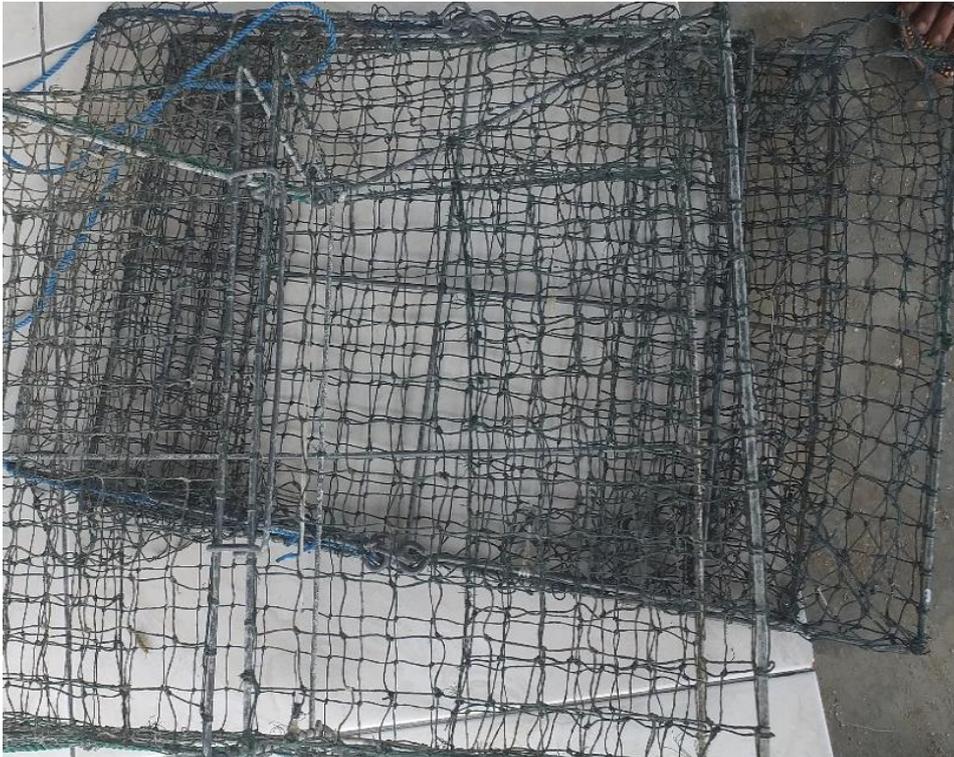


Figure 6. Trap



APRI MEMBERS



PT Bumi Menara Internusa



PT Phillips Seafood Indonesia



PT Kelola Mina Laut



PT Pan Putra Samudra



PT Mutiara Laut Abadi



Blue Star Foods Corp



PT Prima Cakrawala Abadi



Handy Seafood International



PT Toba Surimi Industries



PT Rex Canning



PT Grahamakmur Ciptapratama



PT Sumber Mina Bahari



PT Muria Bahari Indonesia



PT Siger Jaya Abadi



PT Nirwana Segara



PT Kemilau Bintang Timur