



20/02/08

AUDIT FINDINGS :

Company Name/Code	LEIGHTON CONTRACTORS ASIA LTD. / LEIGHTON CONTRACTORS PHIL. INC	016849
Job Description/Code:	Re-Certification	234550/ PHIL 1441 234550/ PHIL 1441 A
Product Name :	OHSAS 18001: 1999	

Date(s) :	18-20 February 2008	Number :	ACR/01-OSH
Clause :	OHSAS 18001:2007 ver. - 4.3.1 Hazard Identification, Risk Assessment and Determining Risk Control	Team Leader :	Adarne Crispo <i>AC</i>
Department :	P2324 Masbate Gold Project	Team Member(s) :	Gayle Russel Capulong Venson Ramos
Contact(s) :	B. Tirrizzi – Deputy Project Manager <i>B.T. Jr.</i>		

Type of findings :	Minor
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Non Conformity

Issues:

The following cannot be demonstrated:

- Human behavior, conditions were not considered during the hazard identification and risk assessment
- Applicable legal regulatory requirements and their compliance was not considered to access wheter risk is acceptable or not.

Requirements

OHSAS 18001:2007 clause 4.3.1states "...The procedure(s) for hazard identification and risk assessment shall take into account:

- human behaviour, capabilities and other human factors;
- any applicable legal obligations relating to risk assessment and implementation of necessary controls..."

Corrective Action Report (to be completed by the company) :

Proposed Completion Date		Company Representative :	
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Corrective Action

NOTE: CLEARANCE OF CORRECTIVE ACTION/S WILL BE WITHIN THE TRANSITION PERIOD.

Root Cause/s:

Corrective Action/s:

LEIGHTON CONTRACTORS (ASIA) LTD.
P2324 MABATE GOLD PROJECT

RECEIVED

FEB 20 2008

RECD BY: *[Signature]* TIME: 4:50pm

Leighton Contractors (Asia) Ltd.		
P2324 Masbate Gold Project		
Date: <i>20 FEB 2008</i>		
File No.: <i>1.9</i>		
Name/Dept.	Action	Copy
Operations Mgr.	✓	✓
Project Mgr.	✓	✓
Deputy Project Mgr.	✓	✓
Commercial Mgr.		
Site Mgr.		
QuESH Coord.	✓	
Admin Mgr.		
Engineering Mgr.		
Project Engineer		
Senior Engineer		
General Manager		
Commercial Mgr.		
Admin/Finance Mgr.		
EqMS Mgr.		
QuESH Mgr.	✓	✓

To be completed by BV Certification

Actual Completion date		Final Clearance	
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BV Certification



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Product Name :	OHSAS 18001: 1999	

Date(s) :	18-20 February 2008	Number :	ACR/02-OSH
Clause :	4.5.1 Performance measurement and monitoring	Team Leader :	Adarne Crispo <i>AC</i>
Department :	P2324 Masbate Gold Project	Team Member(s) :	Gayle Russel Capulong Venson Ramos
Contact(s) :	B. Tirrizzi – Deputy Project Manager <i>B.T. Jr.</i>		

Type of findings :	Minor
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Non Conformity
<p>Issues: Regulatory compliance and effectiveness of the applicable operational controls cannot be fully demonstrated as follow:</p> <ol style="list-style-type: none"> PNRI Radioactive Material License # Y16.2009.07 (Leighton-use of Ce-137 and Am-241 for nuclear gauges) and I16-19028.07 (WITCO-Industrial radiography): Use of unauthorized personnel during handling and testing of radioactive material was noted (i.e. Leighton: Jason Carredo / WITCO: Niel Aumentado – radiation dosage reported in the utilization log). PNRI Radioactive Material Licenses require only authorized users as listed in the permit to use the radioactive material. Furthermore, proactive detection of any radiation leakage cannot be determined since survey meter is stored together with radioactive material. The survey meter was noted out of battery during the time of the audit (i.e. 18 Feb. 2008 pm). DOLE Department Order # 13: Not all heavy equipment has testing and certification from or its recognized organization/s prior to commissioning of said equipment. Sect. 10.1 (b) of the regulation requires “All heavy equipment must be tested and certified in accordance with the standards prepared by DOLE or its recognized organization/s prior to commissioning of said equipment”. DOLE OSH Standard Rule 1053.01 and 1053.02: Dangerous occurrence happened on 14 October 2007 as reported in the Accident/Incident/Near Miss Notification Report # P2324-001 (i.e. IHI excavator operated by Square Steel Builders fell into the pit). However, no record of regulatory reporting was evident during the time of the audit. OSH Standard Rule 1053.01 and 1053.02 requires reporting on the 20th day of the month following the incident. Furthermore, Section 4.1.3.2 (7) of the Project OH&S Management Plan requires reporting of the case to DOLE, DENR and Building Official within 24 hours, in writing. 2 contractor personnel were conducting painting work at Hydrocarbon area without the Work Permit on 19 Feb. 2008 at 1345. Project OH&S Management Plan requires Work Permit during working at height. <p>Requirements OHSAS 18001:1999 clause 4.5.1(c) states “...The organization shall ...and maintain procedures to monitor and measure OH&S performance on a regular basis. These procedures shall provide for: proactive measures of performance that monitor compliance with operational criteria and applicable legislation and regulatory requirements...”</p>

Corrective Action Report (to be completed by the company) :

Proposed Completion Date		Company Representative :	
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Corrective Action
<p>Root Cause/s:</p> <p>Corrective Action/s:</p>

To be Completed by BV Certification

Actual Completion date		Final Clearance	
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Product Name :	OHSAS 18001: 2007	

Date(s) :	18-20 February 2008	Number :	OBS-OHSAS
Clause :		Team Leader :	Adarne Crispo <i>AC</i>
Department :	P2324 Masbate Gold Project	Team Member(s) :	Gayle Russel Capulong Venson Ramos
Contact(s) :	B. Tirrizzi – Deputy Project Manager <i>B.T. jr.</i>		

Type of findings :	Observation
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Observation

1. No accredited Safety Practitioner at the project site
2. Documented procedures and work instructions on proper handling of radioactive materials were not readily available at the Laboratory
3. Consider update of on Heavy & Light Equipment Safety Inspection Checklist to cover track pad inspection items for backhoe, bulldozers, etc.
4. Passenger Ship Safety Certificate (Expiration date: 25 Feb. 2008) and Passenger Insurance Coverage (03 March 2008) will expire before end of period (i.e. 10 March 2008).
5. Consider to include ill-health investigation as part of the project OH&S plan.
6. Consider review of the existing medicine, medical supplies and equipment to ensure compliance to OSH Standard Table 47.
7. WITCO Safety Officer defined in the project organization. However, records of competency are not available.
8. Records of drug test clearance for 3 personnel involved in the boat operation cannot be effectively demonstrated.