

WML
ENVIRONMENTAL COMPLIANCE
AUDIT REPORT

CAPE PRODUCE COMPANY (PTY) LTD
May 2022

Prepared by: AMATHEMBA Environmental Management Consulting (Pty) Ltd

Please contact ***Cape Produce Company*** for the full report.
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WML

Environmental Compliance Audit Report

License number 12/9/11/L1021/1/24G

1. INTRODUCTION

1.1 BACKGROUND TO THE REPORT

Amathemba Environmental Management Consulting was appointed by Cape Produce Company (Pty) Ltd to undertake an external audit as required by the conditions of the facility's Waste Management License (WML).

1.2 ASSUMPTIONS AND LIMITATIONS

- The assumption is made that all information received from Cape Produce Company (Pty) Ltd on which this audit report is based is accurate and correct.
- No public consultation was undertaken as part of this external audit. In the opinion of the auditor, this was not required / warranted for the purposes of conducting the external audit.
- It is assumed that in line with regulatory requirements, the holder of the authorisation will distribute this report to Interested and Affected parties.

1.3 SCOPE, PURPOSES AND OBJECTIVES OF THE AUDIT

1.3.1 External compliance audit in terms of the WML

The main objective of the compliance audit was to respond to the need for external compliance auditing as required in terms of the conditions of approval of the WML. The facility operates under the following licenses:

Document Title	Document Reference Number	Date of Issue
Waste Management Licence in terms of Section 49 (1)(a) of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) Issued by the Deputy Director-General: Chemicals and Waste Management of the Department of Environmental Affairs.	Licence number 12/9/11/L1021/1/24G	24 July 2018

The scope of the audit was limited to compliance matters as they relate to the above-mentioned WML.

1.3.2 Meeting requirements of Appendix 7 of EIA Regulations (2014, as amended)

A further objective was to meet the requirements of Appendix 7 of the 2014 EIA Regulations, as amended, which contains the minimum content requirements for compliance audit reports. The specific requirements are detailed in the table below, together with a reference of where this is responded to in this audit report.

Regulatory Ref # of Appendix 7	Details of requirement	Report Reference	Section
1	The environmental audit report must provide for recommendations regarding the need to amend the EMPr, and where applicable, the closure plan.	Section 4	
2 (a) (i)	Report on level of compliance with the conditions of the environmental authorisation and the EMPr, and where applicable, the closure plan.	Section 3	
2 (a) (ii)	Report on the extent to which the avoidance, management and mitigation measures provided for in the EMPr, and where applicable, the closure plan achieves the objectives and outcomes of the EMPr, and closure plan.	Section 4	

2 (b)	Identify and assess any new impacts and risks as a result of undertaking the activity.	Section 4
2 (c)	Evaluate the effectiveness of the EMPr, and where applicable, the closure plan.	Section 4
2 (d)	Identify shortcomings in the EMPr, and where applicable, the closure plan.	Section 4
2 (e)	Identify the need for any changes to the avoidance, management and mitigation measures provided for in the EMPr, and where applicable, the closure plan.	Section 4
3 (1) a	An environmental audit report prepared in terms of these Regulations must contain details of the— (i) independent person who prepared the environmental audit report; and (ii) expertise of the independent person that compiled the environmental audit report	Section 2
3 (1) b	a declaration that the independent auditor is independent in a form as may be specified by the competent authority;	Section 2.4
3 (1) c	an indication of the scope of, and the purpose for which, the environmental audit report was prepared;	Section 1.3
3 (1) d	a description of the methodology adopted in preparing the environmental audit report;	Section 1.4
3 (1) e	an indication of the ability of the EMPr, and where applicable, the closure plan to— (i) sufficiently provide for the avoidance, management and mitigation of environmental impacts associated with the undertaking of the activity on an ongoing basis; (ii) sufficiently provide for the avoidance, management and mitigation of environmental impacts associated with the closure of the facility; and (iii) ensure compliance with the provisions of environmental authorisation, EMPr, and where applicable, the closure plan;	Section 4
3 (1) f	a description of any assumptions made, and any uncertainties or gaps in knowledge;	Section 1.2
3 (1) g	a description of any public consultation process that was undertaken during the course of carrying out the environmental audit report;	Section 1.2; 4
3 (1) h	a summary and copies of any comments that were received during any public consultation process; and	N/a
3 (1) i	any other information requested by the competent authority.	No additional requirements known at this point.

1.4 AUDIT METHODOLOGY

This audit report is based on a site inspection undertaken on 10th May 2022, review of relevant documentation and subsequent follow-up communication with the facility's compliance officer.

1.4.1 Pre-audit tasks

Review of the various approvals / documents relevant to the facility, namely:

- Waste Management Licence (2019) issued by DEA; and
- Waste Management Programme / Plan approved as part of the WML.

Preparation of audit report template, which includes transfer of conditions of approval of the above into the report to inform the auditor's enquiries during the on-site inspection.

1.4.2 On-site audit

The site walkabout served to give the auditor an understanding of the environmental setting and the specific operational aspects of the facility, especially as it relates to the relevant approvals. The day-to-day operations of the facility were observed, and interviews held with key parties in relation to compliance aspects.

1.4.3 Reporting

Compilation of the audit report based on the information obtained during the audit inspection and any subsequent follow up liaison with the facility representative. The final report will be issued to the client (electronically). The client remains responsible for submission of the report to the various authorities as well as the distribution of the report to Interested and Affected Parties (a regulatory requirement).

2. EXPERTISE OF THE AUDITORS / REVIEWERS

2.1 BARRY WIESNER (LEAD AUDITOR AND AUTHOR)

Barry Wiesner of Amathemba Environmental Management Consulting conducted the on-site inspection and is author of this audit report.

Barry completed a MPhil in Environmental Management at the University of Cape Town. Barry also has read a BA majoring in Archaeology and Environmental and Geographical Science and has a Higher Diploma in Education (HDE) from the University of Cape Town. He also has a Bachelor of Theology from the University of South Africa. Barry is a Green Star SA Accredited Professional and a member of the International Association of Impact Assessors.

Barry has extensive site experience working as an Environmental Control Officer at major construction sites and in conducting Environmental Audits, EIAs, BARs and the compilation of numerous Environmental Management Programmes (EMP) over the last 21 years.

2.2 INGRID EGGERT (REVIEWER)

Ingrid Eggert holds a BA Environmental Management and has 12+ years' experience in applying international environmental best practice for projects in the design, construction and operational phases. She has extensive experience in EIA processes and associated submissions to authorities for approval as well as environmental compliance monitoring and auditing for the construction and operational phases of various developments. Ingrid has also been involved in the development and implementation of many Environmental Management Systems for organisations across varied industries. She is a registered EAP with the Environmental Assessment Practitioners Association of South Africa and is a member of the International Association of Impact Assessors of South Africa.

2.3 STATEMENT OF INDEPENDENCE

Amathemba Environmental Management Consulting was appointed to carry out the external compliance audit and compile this resultant Audit Report. Neither Amathemba Environmental Management Consulting nor any of the authors of this report have any material present or contingent interest in the outcome of this report, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence. Amathemba Environmental Management Consulting has no beneficial interest in the outcome of this compliance audit, other than reasonable remuneration for work performed in undertaking the audit inspection and compiling this report.

3. WML COMPLIANCE

Please refer to the comprehensive table below for the detailed audit report checklist of compliance with the respective conditions of the WML.

In summary, the following is pertinent:

- The overall impression was one of a very well-run facility with a strong commitment to achieving full compliance.
- The facility achieved 100% compliance against the 61 conditions of approval that were audited in respect of the WML.
- It is evident that the mitigation measures implemented by the facility is sufficient and effective in preventing and/or limiting impacts that result from the facility's emissions to air and waste management practices.
- The Management and Compliance team's commitment to excellence goes beyond legal compliance matters and is also focused on meeting international best practice in environmental management as it relates to the leather industry.

4. CONCLUSION AND RECOMMENDATIONS

The external audit was undertaken as required by specific conditions of approval of the facility's WML and EMP. The audit report meets the requirements of Appendix 7 of the 2014 EIA Regulations, as amended.

The following conclusions are drawn subsequent to the audit inspection and consideration of compliance with conditions of approval:

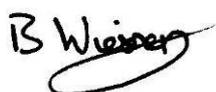
- The overall impression was one of a very well-run facility with a strong commitment to achieving full compliance.
- The facility achieved 100% compliance against the 61 conditions of approval that were audited in respect of the WML.
- It is evident that the mitigation measures implemented by the facility and contained in the EMP is sufficient and effective in preventing and/or limiting impacts that result from the facility's emissions to air and waste management practices and to ensure compliance with the provisions of the WML.
- There is no need for additional mitigation measures.
- There is no need for amendments to the Environmental Management Programme (including the Waste Management Plan) implemented by the facility.
- No new impacts or risks were identified in terms of the waste management practices of the facility.
- There is no intention to close the facility in the foreseeable future, and hence no closure plan is relevant yet. Should decommissioning be planned it would be subject to the necessary regulatory processes and the compilation and implementation of a closure plan.
- The Management and Compliance team's commitment to excellence goes beyond legal compliance matters and is also focused on meeting international best practice in environmental management as it relates to the leather industry.
- A solar panel project was completed in November 2021 to reduce the facilities' energy footprint. It has resulted in a 25-30% reduction in municipal power consumption.
- A brick manufacturing company is interested to take a portion of the facility's dried lime decanter waste as the sludge component in their bricks. This presents an innovative waste reduction solution and will divert approximately 20% of the facility's total waste from landfill. Cape Produce Company intends to write to the waste management authority to understand whether there are any legal requirements in this regard. The auditor supports this waste reduction initiative.

The audit process itself had no implications for the rights of any parties, and as such, no public consultation was deemed necessary for the successful completion of this task.

In light of the high level of compliance that was achieved, recommendations are limited to the following:

- The Holder of the licenses must submit this external audit report to the respective WML authority as per the requirements and timeframes of the related conditions of approval.
- In line with Regulation 34(6) of the 2014 EIA Regulations, the Holder of the WML must, within 7 days of the date of submission of the external audit report to the licensing authorities, notify all potential and registered interested and affected parties of the submission of the report, and make the report available immediately to anyone on request, and on a publicly accessible website, where the holder has such a website.

Yours sincerely



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