

Public Report Sustainable Forest Management System

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CLIENT NAME: PT NUSANTARA SENTOSA RAYA

TOTAL HECTARES: 23,030

SCOPE OF REGISTRATION: Sustainable Forest Management in 23,030 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification

AUDIT START DATE: September 20, 2022
 AUDIT END DATE: September 23, 2022

In signing this document the Audit team confirms that they have had no involvement with the company under audit in terms of consultancy, training, direct employment etc. within the last 2 years and have no other involvement (financial, shareholding or commercial) that would constitute a Conflict of Interest

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:



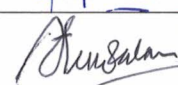
AUDIT TEAM: Ence Hedi Hasan Zubaidi

SIGNATURE:



Abdul Salam

SIGNATURE:



MAJOR CARs: 0

MINOR CARs: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
Head Office	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru 28143, Riau Province, Indonesia	September 20, 2022
Site	Kecamatan Langgam, Kabupaten Pelalawan dan Kecamatan Kampar Kiri, Kabupaten Kampar, Propinsi Riau, Indonesia	September 21 to 23, 2022
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY- TO BE COMPLETED IF CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
N/A		

Brief Description of the concession

PT Nusantara Sentosa Raya was obtaining a Business Permit for the Utilization of Industrial Timber Forest Products (IUPHHK-HTI) based on the Decree of the Minister of Forestry No. SK.550/Menhut-II/2012, dated October 4, 2012 of approximately 23,030 hectares in Riau Province. There is no conversion of natural forest to plantation forest after December 31, 2010, thus, the IFCC certified area is 23,030 hectares.

The Management Unit has a Business Plan for Utilization of Industrial Timber Forest Products (RKUPHHK-HTI) which approved Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. SK.6577/MenLHK-PHPL/UHP/HPL.1/12/2017 dated December 5, 2017. The Management Unit conducted field verification with the results that the area included in the KFLEG based on the RKUPHHK-HTI is an area with mineral soil types, thus, the spatial planning of its working area is consisting of Protected Function Areas of Peat Ecosystem of 1,682 Ha (7.30%), Local Protected Areas and Other Protected Areas of 2,848 Ha (12.37%), Staple Plants area of 14,429 Ha (62.65%), Livelihood Plant area of 4,071 Ha (17.68%), with a total 23,030 Ha (100%). The Local Protected Areas and Other Protected Areas consist of River Borders of 2,622 Ha (11.38%) and KPPN/KPSL of 226 Ha (0.98%).

The working area of PT Nusantara Sentosa Raya is geographically located between 00° 06' 00.0" to 00° 10' 00.0" North and 101° 21' 00.0" to 101° 48' 00.0" East. Based on the administrative area, the working area is in two districts, namely Langgam District in Pelalawan Regency and Kampar Kiri District in Kampar Regency.

PT Nusantara Sentosa Raya is part of the Sei Peninjau-Sei Kampar Kiri Forest Group (KH) and hydrologically belongs to the Tesso Watershed (DAS). The topography of the area is between flat (0-8%) and mostly gentle (8-15%) with an altitude of 80 to 150 meters above sea level. According to the Schmidt-Fergusson climate classification, it belongs to the climate type A with rainfall of 145-410 mm/month.

The plant species developed are *Acacia crassicarpa*, *Acacia mangium*, and *Eucalyptus* sp.

Description of the socio-economic conditions of the concession and the concession's social programs

Generally, the residents around the work area of PT Nusantara Sentosa Raya are Malay, Batak, Nias, and Javanese. The main livelihoods of the community are farmers and workers in oil palm plantations. According to the village officials, there are the *Kedatukan Sanjayo Malay* and *Datuk Melongang* indigenous community which are recognized by the Kampar LAM (Malay Customary Institution). Meanwhile, according to the Public Relations of PT Nusantara Sentosa Raya that there are no indigenous peoples within the company's area.

PT Nusantara Sentosa Raya has a conflict resolution mechanism. According to the data on conflict/claim areas in 2022, the claimed areas are mostly in the form of oil palm plantations, shrubs and settlements. The remaining claim areas continue to be resolved, monitoring and patrolling to avoid new encroachments within the company's work area.

The existing agreements or cooperation agreements are Livelihood Plant Cooperation Agreement with the villages. Other agreement is in the form of Joint Agreement of the Community with Fire Awareness (MPA) with the villages since 2018. PT Nusantara Sentosa Raya has provided adequate support to the communities around the company. The type of activity consists of six fields, namely education, health, economics, religion, infrastructure and social & environment. The assistance provided was in the form of food assistance for village communities and district governments, assistance for fishermen and infrastructure assistance for school building materials.

Description of the Ecological conditions of the concession

The Management Unit has carried out forest ecosystem and hydrological function management through the following activities:

- Identification of forest management activities that have significant impacts, and conduct environmental impact assessments through AMDAL, RKL and RPL, 1999; Report on Implementation of Environmental Permits for Semester 2 of 2021 and Semester 1 of 2022 and RKUPPHK-HTI Document,
- Implementation of Reduced Impact Logging activities before, during and after harvesting,
- Identification of areas that function for soil and water protection and allocate the area as Local Protected Areas and Other Protected Areas,
- Monitoring the negative impacts of forest management activities in the concession area in accordance with AMDAL, RKL and RPL, 1999 and documented procedure namely SOP for Monitoring Protected Areas, SOP for Monitoring Discharge and Water Quality and SOP for Erosion Monitoring,
- Control the use of B3 (Hazardous and Toxic Substances) referring to SOPs for Management of Hazardous and Toxic Waste (B3) and SOPs for Handling Spills of Fuel, Lubricants and Chemicals.

The Management Unit has performed biodiversity management through the following activities:

- Identification of protected, endemic, rare flora and fauna and threatened/near-extinct species and their habitats in the area in accordance with applicable regulations. There is a map of the distribution of flora and fauna as the result of the identification,
- Carried out management of protected areas in accordance with the RKL/RPL Implementation Report every semester as well as SOPs for Determining Protected Areas and SOPs for Monitoring Protected Areas,
- Environmental impact assessment on the potential impacts on protected, endemic, rare, and threatened/ endangered species of flora and fauna, through AMDAL, RKL and RPL, 1999,
- Not cultivating genetically modified tree species as staple plants but *Acacia mangium*, *Acacia crassicarpa* and *Eucalyptus* sp.

The Management Unit has implemented forest protection through the following activities:

- Identification and monitoring of disturbances in sustainable forest management. The disturbances identified are forest fires and plant diseases,
- Prevention and handling of pest attacks referring to SOPs for Integrated Pest and Disease Management,
- Regulate the management of chemical pesticides in the field with a documented procedure,
- Implemented forest protection measures against fire hazards,
- Prohibition of livestock grazing activities in the work area,
- Implementation of appropriate steps in forest protection activities.

Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted a public consultation starting July 18, 2022, asking stakeholders to provide feedback and information on PT Nusantara Sentosa Raya. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to parties via email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive input from stakeholders during the public consultation.

The audit team also collects information from the mass media about PT Nusantara Sentosa Raya. The reported cases are considered as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the requirements needed for this certification process, which consists of legal aspects which include compliance with international regulations and rules and conventions. The management system has been built to cover all activities in the certification field, registered for certification covering an area of 23,030 hectares.



Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.
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The results of the PT Nusantara Sentosa Raya Recertification is no non-conformity. The management system of PT Nusantara Sentosa Raya is operating effectively. No critical issues identified.
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Conditions under which the certificate is issued

Certificate is valid until January 06, 2026, provided that PT Nusantara Sentosa Raya maintains its Surveillance schedule and does not have potential Major non-conformity at the next Surveillance.
