

# Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT NUSANTARA SENTOSA RAYA

TOTAL HECTARES: 23,030

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

STANDARDS/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Surveillance 1

AUDIT START DATE: November 22, 2023  
 AUDIT END DATE: November 25, 2023

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: Riyadi Sigit Pamungkas

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Qodly Zaka Syahtriawan

SIGNATURE:

WITNESSING EVALUATOR / TRANSLATOR (if any): Agung Utama Lubis

SIGNATURE:


MAJOR CARS: 0

MINOR CARS: 3

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	DATE OF EACH SITE VISIT:
Head office	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru 28143, Riau Province, Indonesia	November 22, 2023
Site	Kecamatan Langgam, Kabupaten Pelalawan dan Kecamatan Kampar Kiri, Kabupaten Kampar, Propinsi Riau, Indonesia	November 23 to 25, 2023
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 obtained the Decree of PBPH (Forest Utilization Business Licensing) No. SK 1212/Menlhk/Setjen/HPL.0/12/2021 concerning the second amendment to SK 202/Menhut-II/2007 dated 16 May 2007 concerning the granting of Business Permits for The Utilization of Timber Forest Products in PT Siak Raya Timber plantation forest over a production forest area of 23,030 Ha (twenty-three thousand and thirty hectares) in Riau province. In this decree, there is a change in nomenclature from IUPHHK-HT to PBPH and the working area remains 23,030 Ha.

The Organization has a Work Plan document for the Utilization of Industrial Timber Forest Products (RKUPHHK-HTI) approved by Decree of the Minister of Environment and Forestry of the Republic of Indonesia No. SK.6577/MenLHK-PHPL/UHP/HPL.1/12/2017 dated 5 December 2017 concerning Approval of the Work Plan for the Utilization of Industrial Timber Forest Products (RKUPHHK-HTI) for 2017 to 2026 in the Context of Improving Peat Governance on behalf of PT Nusantara Sentosa Raya in Riau Province.

The Organization has carried out spatial planning of its work area into Peat Ecosystem Protected Function Area of 1,682 Ha (7.30%), Local Protection Area 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 of 23,030 Ha (100%). 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 work 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, it is in two districts, namely Langgam District, Pelalawan Regency and Kampar Kiri District, Kampar Regency. PT Nusantara Sentosa Raya work area is located in the Sei Peninjau-Sei Kampar Kiri Forest Group (KH) and hydrologically belongs to the Tesso River Watershed (DAS). The topography of the area is between the categories of flat (0-8%) covering 38% and sloping (8-15%) covering 62%. Located at an altitude of 80-150 m above sea level. According to the Schmidt-Fergusson climate classification, it is included in climate type: A, with rainfall of 145-410 mm/month.

There was no conversion of natural forest to plantation forest after 31 December 2010, thus, the area of IFCC certified is 23,030 Ha. The species of plants developed are *Acacia crassicarpa*, *Acacia mangium*, and *Eucalyptus* sp.

PT Nusantara Sentosa Raya is surrounded by 4 villages, 2 districts, and 2 regency, including Gading Permai Village, Rantau Kasih Village, Mentulik Village, Kampar Kiri Hilir District, Kampar Regency, and Segati Village, Langgam District, Pelalawan Regency. Field visit verification during this audit took samples from two surrounding villages, namely Rantau Kasih Village and Mentulik Village.

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

PT Nusantara Sentosa Raya is surrounded by local communities and indigenous communities, the indigenous communities around the concession are the Malay Kedatukan Adat which is recognized by the Kampar LAM (Malay Traditional Institute). Apart from that, based on interviews conducted with the village heads, the type of economic livelihood is farmers/cultivators, laborers/services, traders, fishermen, employees/PNS, etc.

PT Nusantara Sentosa Raya has made conflict resolution efforts with the surrounding community. There is a Report on Identification and Settlement of Claim Areas for 2023 with the results that each year there is a decrease in the area of claims along with the conflict resolution process. This decrease was due to effective communication and conveyance of



complaints such as providing outreach, village consultations, and fulfilling social obligations from the company to the surrounding village community.

PT Nusantara Sentosa Raya has collaborated with surrounding village communities. There is an Addendum to the Cooperation Agreement between PT Nusantara Sentosa Raya and the village community. Based on interviews with relevant village officials, there is cooperation on livelihood plant between PT Nusantara Sentosa Raya and the village community. The Cooperation Agreement between the company and the village is the result of an agreement between the parties, namely PT Nusantara Sentosa Raya and the surrounding village community

PT Nusantara Sentosa Raya has carried out social obligations through CSR and CD programs, including improving infrastructure at-district offices, increasing the capacity of youth Organizations in districts, participating in funding for Independence Day in villages, and providing equipment to village health centers.

#### **Description of the Ecological conditions of the concession**

PT Nusantara Sentosa Raya implemented a policy to stop land clearing (Land Clearing Moratorium Letter) and planting on new land before the integrated HCV-HCS assessment activities and Integrated Conversation and Land Use Planning (Integrated Conversation and Land Use Planning) have been completed or finalized by HCVRN.

In the HCV document, 156 types of fauna identified during the field survey were identified, the fauna included in the list were 39 species of birds, 12 species of mammals, and 3 species of herpetofauna. The Organization does not violate the Stockholm Convention on Persistent Organic Pollutants, 2001 in the use of pesticides.

The Organization maintains and improves the health and vitality of forest ecosystems and must rehabilitate degraded forest ecosystems if, and as long as it is economically feasible, by making the best use of good natural structures and processes as well including illegal logging patrols, installation of protected area signboards, management of local species seeds, inspection of protected areas, and arrangement of protected area boundaries (boundary marking).

The Organization has identified through inventory and mapping the distribution of protected flora and fauna, protected both by national law and by international regulations. The Organization has mapped the status of animals and their distribution.

The Organization has maintained and improved the habitat of protected flora and fauna, endemic, rare and threatened/almost extinct species, as well as distinctive characteristics (features) for biological purposes such as mother trees/seedlings, dead old hollow trees, nesting and feeding places, with allocate and manage protected areas. Apart from that, conservation areas are very effective as water catchment areas, germplasm protection and as wildlife enclaves. Installing sign boards, in the form of warning and prohibition boards, is quite effective in helping maintain protected areas.

#### **Results of the Public Consultation**

Prior to carrying out the Transition to IFCC ST 1001:2021 + Surveillance 1 Audit, PT ACube TIC International conducted a public consultation starting October 4, 2023, asking stakeholders to provide feedback and information about PT Nusantara Sentosa Raya. The public consultation was uploaded to the PT ACube TIC International website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to parties by email or postal mail, and published in local newspapers. There was no input from the stakeholders.

The audit team also collected information from the mass media about PT Nusantara Sentosa Raya. The reported cases are considered part of the PT ACube TIC International audit process.



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

#### Organization progress record related to corrective action on findings of nonconformities in previous audit

The result of Recertification Audit was no non-conformity.

#### Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.

The results of Transition to IFCC ST 1001:2021 + Surveillance 1 Audit are that 3 (three) nonconformities in Minor category. The Organization has made improvements. The nonconformities are closed.

Number	Non-Conformities	Corrective Action Performed	Categories
1	The Organization has not updated the legal regulations. In the Monitoring Status - Compliance Obligation (Legal Requirements and Other Requirements) document for the period January to June 2023, there are some statutory regulations that are no longer valid and/or applicable. Indicator 5.3.1.1	The Organization has made improvements by updating statutory regulations and has evaluated compliance with legal and other requirements for the period January to June 2023. The Organization will monitor and update the list of statutory regulations periodically.	Minor
2	The Organization has carried out internal audit activities that include the standards ISO 14001:2015, ISO 45000:2018, Decree of the Director General of PHPL No. P.62/PHPL/SET.5/KUM.1/12.2020 (Appendix 1 & 2), SMK3, SFMP 2.0 Policy, IFCC Standard ST 1001:2014 but does not include IFCC Standard ST 1001:2021. Some auditors have not participated in internal audit training on IFCC Standard ST 1001:2021.  Indicator 8.2.1	The Organization will conduct training for their internal auditors on the IFCC ST 1001:2021 standard to increase internal auditors' understanding and competence on the IFCC ST 1001:2021 standard and will use the IFCC ST 1001:2021 standard as a reference for the implementation of internal audits for the 2023 period.  The Organization in this case from SDU (Sumatra Development Unit) has sent 3 personnel to take part in the Internal Audit Standard ST 1001:2021 training on 20 to 25 November 2023 in Kerinci (PT RAPP).	Minor
3	The Organization has implemented a Management Review in 2022, but its scope is still limited to K3 policies and objectives. It did not include organizational performance	In implementing the 2024 Management Review, the Organization will conduct a review of all aspects including prerequisites, production, ecology and social as well as information regarding	Minor



	<p>information, including audit results of Mandatory standards (PHPL), IFCC ST 1001:2021 standards, SFMP 2.0 Policy etc.</p> <p>Indicator 8.3.1</p>	<p>the results of PHL, IFCC audit performance and implementation of the SFMP 2.0 Policy.</p> <p>The Organization has made improvements by creating a Draft Management Review for 2024 with the main theme:</p> <ol style="list-style-type: none"> <li>1. Previous Management Review Action Status</li> <li>2. Changes in External and Internal Issues</li> <li>3. Organizational Performance Information</li> <li>4. Opportunities for Continuous Improvement</li> </ol>	
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<p><b>Conditions under which the certificate is issued</b></p>
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Certificate is valid until January 6, 2026, provided that PT Nusantara Sentosa Raya completes all corrective actions according to the time schedule proposed in its corrective action responses and does not have the same problems at the next Surveillance visit. If the non-conformities are not closed at the next Surveillance, the certificate will be suspended until such time as AJA EUROPE is able to perform a closeout visit.