

# Public Report Sustainable Forest Management System

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## PUBLIC AUDIT REPORT – SFM

### TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: PT NUSA WANA RAYA

TOTAL HECTARES: 26,880

SCOPE OF REGISTRATION: Sustainable Forest Management of 26,880 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 2 (REMOTE)

START DATE AUDIT: November 17, 2020

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

END DATE AUDIT: November 20, 2020

LEAD AUDITOR: Andri Wibisono

SIGNATURE:

TEAM AUDIT: Riyadi Sigit Paungkas

SIGNATURE:

Tata Sumitra

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Nusa Wana Raya	Kampar Kiri District, Kampar Regency and Langgam District, Pelalawan Regency, Riau Province – Republic of Indonesia	November 17 to 20, 2020
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	
	NA	

#### Brief Description of the concession

The Management Unit has a concession permit based on the Decree of the Minister of Forestry No. 444/Kpts-II/1997 dated August 6, 1997 concerning the Granting of Plantation Forest Concession Rights for Transmigration Patterns over a Forest Area of ± 21,870 (Twenty One Thousand Eight Hundred Seventy) hectares in the Province of Riau Province of PT Nusa Wana Raya.

Then, issued latest Decree of the Minister of Forestry No. SK.241/MENHUT-II/2007, dated July 19, 2007 concerning Stipulation of Work Area Boundaries for Timber Forest Products Utilization in Industrial Plantation Forests in Plantation Forests of PT Nusa Wana Raya of 26,880 (Twenty Six Thousand Eight Hundred and Eighty) hectares in Riau Province. There is no conversion of natural forest above December 31, 2010. Therefore, the IFCC certified area is 26,880 ha.

The Business Plan for the Utilization of Industrial Timber Forest Products (RKUPHHK-HTI) was approved based on the Decree of the Minister of Environment and Forestry No. SK.587/MenLHK-PHPL/UHP/HPL.1/2/2018 dated February 13, 2018 on Approval of the Business Work Plan for the utilization of Industrial Timber Forest products PT Nusa Wana Raya for the period of 2018 of 2027 in Riau Province.

The Management Unit organizes its working areas into Local Protected Areas and Other Protected Areas of 5,684 ha (21.1%), Staple Plant Area of 15,820 ha (58.9%), Livelihood Plant Area of 5,376 ha (20%), with a total of 26,880 ha (100%).

The working area of PT Nusa Wana Raya is geographically located between 00° 09' 58.14" to 00° 00' 28.09" North and 101° 20' 00.018.69" to 101° 47' 17.76" East. The working area of PT Nusa Wana Raya is located in the Tesso Forest Group. The topography of the area is in the category of Slope Class A (Flat) of 10,214 ha (38%) and Slope Class B (Slope) of 16,666 ha (62%). The area is located at an altitude of 80-150 m above sea level. The soil type in the Management Unit area is red yellow podzolic (Bogor PPT classification) or consists of Dystropepts, Hapludox, Humitropepts, Kandiodults, Kanhapludults, Fluvaquents, Tropofluvents, Prososaprists and Tropaquepts (USDA classification). The geological formation consists of Minas, Peasant (TuP) and Young Alluvial (Qh) elements.

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

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

Field verification of social aspects was carried out in Segati Village, Langgam District, Pelalawan Regency, Pangkalan Gondai Village, Langgam District, Pelalawan Regency, PT Nusa Wana Raya employee interviews, employee facilities and infrastructure, occupational health and safety equipment verification.

Field verification is aimed at verifying the fulfillment of The Management Unit obligations to the community (CSR Assistance, CD, Socialization, Regional boundaries/Participatory boundaries). Fulfilment of workers' rights and occupational health and safety, and health services have been interviewed via Zoom Meeting guided by PIC with the union, hrd officer, and with employees in the office/base camp and in the field. Verification of facilities and infrastructure for employees, namely employee mess, contractor mess, sports facilities, worship facilities (mosque), canteen.

Based on interviews with a Village Head, PT Nusa Wana Raya and the village have collaborated in livelihood plants. Every year the community receives a fee for livelihood plants. Based on the calculation of the village head, the total area of Segati village within the PT Nusa Wana Raya concession is about 7,000 ha.

PT Nusa Wana Raya has provided access to local communities to utilize non-timber forest products (NTFPs) for economic purposes. There is a report on the identification of non-timber forest products of PT Nusa Wana Raya in 2020. Based on the report, there are 29 people who use non-timber forest products in the concession of PT Nusa Wana Raya. Non-timber forest products used by the community include cassava, resin, rattan, banana, honey, jengkol, grass, pig snares. Most of the non-timber forest products are for sale, except grass are for livestock feed.

PT Nusa Wana Raya has made efforts to resolve conflicts with the surrounding community. There is an Indicative Map of Encroachment and Claims in the IUPHHK HTI work area of PT Nusa Wana Raya on a 1:200,000 scale. There is data on conflict / claim areas and efforts that have been made by PT Nusa Wana Raya to resolve land claims in the company's concessions in 2019/2020. For conflict resolution, the claim areas can be resolved including legal mechanisms and livelihood mechanisms, or alternative conflict resolution mechanisms.

Based on the report on the realization of the community development program, the activities that have been carried out in 2019/2020 include the religious field (construction materials for school, mosque, Ramadhan safari), social and environmental fields (sports facilities).

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

The Management Unit has identified forest management activities that have significant impacts and carried out an environmental impact assessment which analyse potential impacts on the environment, as stated in the AMDAL, RKL and RPL documents.

On the RKUPHHK-HTI, Local Protected Areas and Other Protected Areas consist of River Borders of 4,092 ha (15.2%), KPPN of 300 ha (1.1%), KPSL of 300 ha (1.1%), Other Protected Areas of 992 ha (3.7%).

The Management Unit carried out some activities to maintain soil and water conservation, as follows:

- Rehabilitation of Protected Areas by planting local plant seeds, namely in KPPN and KPSL, ha.
- Monitoring of soil fertility which start since land clearing until re-harvesting. The activities are carried out periodically by sending soil samples to the laboratory for analysis.
- Monitoring of soil density is done by comparing the soil density in production areas and protected areas. To assume the soil in protected areas is not damaged due to company operations.
- Erosion monitoring with erosion benchmark scale as stated in the Minister of Environment Regulation No. 8 of 2006 concerning Procedures for Measurement of Standard Soil Damage Criteria for Biomass Production. The placement of erosion stakes is scaled based on plant age class, due to the work area of PT. Nusa Wana Raya is included in the flat category with a slope level of 0 – 8%.

PT. Nusa Wana Raya has controlled the use of B3 (Hazardous and Toxic Substances) as referenced to the SOP documentation. The waste of operational activities is collected in Temporary Shelters (TPS) to be coordinated and minimize the risk of environmental pollution. The Management Unit has B3 Waste Temporary Storage Permit issued by Pelalawan Regent Decree Number: KPTS.660 /BLH/562/2015 concerning Permit for Hazardous and Toxic Waste Management (B3) for B3 Waste Storage Activities to PT. Nusa Wana Raya on June 4, 2015, valid for 5 (five) years.

PT Nusa Wana Raya maintains and improves the habitat of protected, endemic, rare and threatened/near-extinct species of flora and fauna, by following steps:

- Protecting and Maintaining Protected Areas as Habitat for Flora and Fauna,
- Monitoring flora and fauna habitats,
- Maintaining important trees that serve as wildlife habitat outside protected areas,
- Preventing and Combating Illegal Activities in Protected Areas.

There is a key species found in its working area, namely the sumatran elephant (*Elephas maximus sumatrensis*). The Management Unit uses SOP-012-LIN-NWR (Identification of Flora and Fauna) to identify the presence of key species through data from the inventory/monitoring of wildlife in its working area.

The activities carried out are:

- Mitigation of sumatran elephants in the concession area,
- Install a signboard for the existence of an elephant track,
- Maintaining elephant habitat and designated the habitat as protected areas, namely: KPPN, KPSL, river borders and other protected areas,
- Marking elephant crossing paths.

Monitoring, preventing and controlling forest fires is guided by the Minister of Environment and Forestry Regulation: P.32/Menlh/Setjen/kum.1/3/2016. The efforts made by the Management Unit are:

- Formation of the Forest and Land Fire Control Brigade,
- Forest and land fire monitoring through routine patrols and CCTV camera and indirectly through satellite monitoring of hotspots,
- Procurement of facilities and infrastructure for the prevention and control of forest and land fires,
- Build a fire tower (forest and land fire monitoring tower),
- Build a CCTV tower,
- Build a water reservoir,
- Installation of signboards,
- Socialization to the community and establishment of MPA (Community with Fire Awareness),
- Control of piles of wood waste and use of road infrastructure as firebreaks.
- Establish a “no burn” policy,
- Coordination with TNI and police in terms of fire monitoring,
- Micro-climate measurement,
- Measurement of temperature, rainfall (CH), rain days (HH) and relative humidity (KR) to determine the value of FDR (Fire Danger Rating). In field observations, the microclimate measurement is located in front of the FCHSE office.

### Results of the Public Consultation

Prior to carrying out the Surveillance 2 Audit, PT AJA Sertifikasi Indonesia conducted public consultations commencing October 15, 2020, asking stakeholders to provide feedback and information about PT Nusa Wana Raya. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to parties via e-mail or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders during the public consultations. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders during the public consultations.

The audit team also collected information from the mass media about PT Nusa Wana Raya, the reported cases being given material consideration as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the requirements needed for this certification process, consisting of legal aspects that include compliance with rules and regulations, and international conventions. The management system has been established to cover all activities in the certification field, which is registered for an area of 26,880 hectares.

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

The Surveillance 2 Audit results recorded no Non-Conformity identified by the audit team either in Minor or Major



category.

#### Conditions under which the certificate is issued

Certificate is valid until January 21, 2022, provided that PT Nusa Wana Raya maintains its Surveillance schedule and does not have any major non-conformities at the time of the next Surveillance visit.