

Public Report Sustainable Forest Management System

Ownership of this report and the information contained within
remaining the property of AJA EUROPE SRL





ORGANIZATION 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

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

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

AUDIT START DATE: November 27, 2023

AUDIT END DATE: November 30, 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: Andri Wibisono

AUDIT TEAM: Riyadi Sigit Pamungkas

Qodly Zaka Syahtriawan

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

SIGNATURE:

SIGNATURE:

SIGNATURE:

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 27, 2023
Site	Kecamatan Langgam, Kabupaten Pelalawan dan Kecamatan Kampar Kiri, Kabupaten Kampar, Propinsi Riau, Indonesia	November 28 to 30, 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

The Organization has a Forest Utilization Business Licensing Decree (PBPH) from the Minister of Environment and Forestry Number: SK.1121/MENLHK/SETJEN/HPL/0/11/2021 dated 17 November 2021, concerning Amendments to the Decree of the Minister of Forestry Number: 444/KPTS -II1997 dated 6 August 1997 with a work area of 26,880 Ha. There is a change in nomenclature from IUPHHK-HT to PBPH. There was no conversion of natural forest to plantation forest after December 31, 2010, thus, the entire work area is certified by IFCC.

Organizations in operational activities have a Forest Utilization Business Work Plan (RKUPH) document which is ratified by Decree of the Minister of Environment and Forestry No. SK.587/MenLHK-PHPL/UHP/HPL.1/2/2018 dated 13 February 2018 concerning the Approval of the Business Work Plan for Industrial Forest Timber Forest Products of PT Nusa Wana Raya for the period of 2018 to 2027 in Riau Province. The work area arrangement based on the document is as follows:

- Local Protected Area and Other Protected Areas of 5,684 Ha (21.1%), Staple Plant area of 15,820 Ha (58.9%), the livelihood plant area of 5,376 Ha (20%), a total of 26,880 Ha (100%).
 - Local Protected Areas and Other Protected Areas consist of river border area of 4,092 Ha (15.2%), KPPN area of 300 Ha (1.1%), KPSL area of 300 Ha (1.1%), Other Protected Areas of 992 Ha (3.7%).

The work area of PT Nusa Wana Raya is geographically located between 00° 09' 58.14" to 00° 00' 28.09" North and 101° 20' 00.01" to 101° 47' 17.76" East. PT Nusa Wana Raya work area is located in the Tesso Forest Group. The topography is Slope A (Flat) of 10,214 ha (38%) and Slope Class B (Sloping) of 16,666 ha (62%). The area is located at an altitude of 80-150 m above sea level. The soil type in the work area is red and yellow podzolic (PPT Bogor classification) or consists of dystropepts, hapludox, humitropepts, kandiudults, kanhapludults, fluvaquents, tropofluvents, prososaprists and tropaquepts (USDA classification). The geological formation consists of the elements Minas, Petani (TuP) and Young Alluvial (Qh). 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

PT Nusa Wana Raya is surrounded by local and indigenous communities. The indigenous communities around the concession, namely the Batin Palabi Community which is recognized by the Riau Indigenous Community. The tribes around the Company are Malay, Nias, Batak and Javanese. Apart from that, based on interviews conducted with village officials, the livelihoods of village residents around the company are as farmers, labourers, traders, fishermen, employees, and others.

The Organization has made conflict resolution efforts with the surrounding community. Based on the 2023 Claim Area Identification and Settlement Report, there is a decrease in the size of the claim area every year. The conflict resolution process carried out by the Organization is based on the SOP for the Conflict Resolution Protocol and Handling of Security Threat Action Activities. This year, the Organization has carried out outreach activities, village consultations, and Corporate Social Responsibility funding to the surrounding village community.

PT Nusa Wana Raya has an Addendum to the Cooperation Agreement with village communities in the form of Livelihood Plants and Community with Fire Awareness. Collaboration on livelihood plant with surrounding villages has been implemented since 2013 with the Acacia plant. This was confirmed by the relevant village officials during interviews. The livelihood plant cooperation is carried out by providing beneficial value to the community. The latest benefit provision was implemented in 2020. In this case, the agreement on the livelihood plant was emphasized for both parties to mutually guarantee and maintain the safety of the plants and take responsibility for existing social problems.



The Organization has carried out social obligations to society through CSR and CD programs. Based on the CSR/CD plan submitted, CSR/CD realization has been achieved and exceeds the nominal plan for 2023. CSR/CD realization that has been carried out includes assistance for elementary school learning facilities in surrounding villages, assistance with medical equipment and complementary solid food for babies in surrounding villages, assistance for church building materials in surrounding villages, assistance for youth activity committees for Eid al-Fitr in surrounding villages, assistance in providing streetlights in surrounding villages, etc.

Description of the Ecological conditions of the concession

PT Nusa Wana 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 the Integrated Conversation and Land Use Planning have been completed or finalized.

The Organization does not violate the Stockholm Convention on Persistent Organic Pollutants, 2001 in the use of pesticides. PT Nusa Wana Raya maintains and improves the health and vitality of forest ecosystems. It has a commitment to rehabilitate degraded forest ecosystems if, and as long as it is economically feasible, by making the best use of natural structures and processes and including: patrolling illegal logging, installing protected area signboards, managing local species seedlings, 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 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 pockets. 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 Nusa Wana Raya. The public consultation was uploaded to the PT ACube TIC International website (www.ajaindonesia.com), sent to parties by email or postal mail, and published in local newspapers.

The audit team also collected information from the mass media about PT Nusa Wana 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 26,880 hectares.

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



The results of Recertification Audit are zero 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 is 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 information, including audit results of Mandatory standards (PHPL), IFCC ST 1001:2021 standards, SFMP 2.0 Policy etc. Indicator 8.3.1	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 the results of PHL, IFCC audit performance and implementation of the SFMP 2.0 Policy. The Organization has made improvements by creating a Draft	Minor



		Management Review for 2024 with the main theme: 1. Previous Management Review Action Status 2. Changes in External and Internal Issues 3. Organizational Performance Information 4. Opportunities for Continuous Improvement	
--	--	--	--

Conditions under which the certificate is issued

Certificate is valid until January 21, 2026, provided that PT Nusa Wana 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.