

# **Public Report Sustainable Forest Management System**

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**AJA EUROPE**  
**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 ha

**SCOPE OF REGISTRATION:** Sustainable Forest Management at Forest Plantation covering 26,880 hectares in Riau Province, Indonesia

**STANDARD/CRITERIA:** IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

**TYPE OF AUDIT:** Surveillance 1

**AUDIT START DATE:** October 24, 2016

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

**AUDIT END DATE:** October 27, 2016

**LEAD AUDITOR:** Abdullah Mujahid

**SIGNATURE:**


**AUDIT TEAM:** Ence Hedi Hasan Zubaedi

**SIGNATURE:**

Abdul Salam

**SIGNATURE:**

**MAJOR CARS:** -

**MINOR CARS:** -

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
PT. Nusa Wana Raya	District of Kampar Kiri, Kampar Regency and District of Langgam, Pelalawan Regency, Riau Province, Republic of Indonesia.	October 24-27, 2016
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. Nusa Wana Raya obtained its business license for industrial forest management per Minister of Forestry utilization permit No. 444 / Kpts-II / 1997. August 6, 1997 Date of Forest for Transmigration Top Pattern Forest Areas covering an area of 21,870 hectares in Riau Province to PT. Nusa Wana Raya. Then, based on the Decree of the Minister of Forestry No. SK.241 / MENHUT-II / 2007, dated July 19, 2007, the work area for Timber Forest Production in Industrial Plantation Forest of PT. Nusa Wana Raya was stipulated as an area of 26,880 hectares in Riau Province, Republic of Indonesia.

Spatial planning based on Revision of RKUPHHK-HTI, is as follows: (1) Protected Areas of 4,703 ha (17.50%), (2) Area Not Suitable For Production of 11,421 ha (42.49%), (3) Area for Production: Principal Plantation Area of 9,906 ha (36.85%), Seed Plant Area of 800 ha (2.98%), Livelihood Plant Area of 50 ha (0.19%); total of 100.01% due to rounding.

The geographical location of the working area of the Management Unit of PT. Nusa Wana Raya lies between 00° 00' 00" to 00° 10' 00" North and 101° 20' 00" to 101° 46' 00" East. The working area falls under the governmental administration of Kampar Kiri District, Kampar Regency, and Langgam District, Pelalawan Regency, Riau Province, being a part of the Kampar Kiri Forest group. It has a flat topography (0-8%) covering an area of 10,214 ha with ramps (8-15%) covering an area of 16,666 ha, and is located at an altitude of 50-150 m above sea level.

According to the Land Unit and Soil Map Sheet Pekanbaru (0816) Sumatra Scale 1: 250,000 1988 (Puslitanah), the land is divided into two groups with alluvial plains having alluvial, latosol and podzolic soil types and flat-sloping relief (slope 0-15%) with the parent material being alluvial young and old. According to the Geological Map Sheet Pekanbaru based Scale 1: 250,000 (Bandung Geology Research Center, 1982) the geological formations consist of the following dominant rocks and minerals: Minas formation: Raman-rock, sand and gravel; Young sediment formation: shale, sand and silt; Old sediment formation: sand and gravel. According to the Schmidt Fergusson climate classification the area is designated as having Climate Type A with rainfall of 2,540 mm / year. Based on the hydrology, the Management Unit areas include watershed (DAS) Kampar Kiri with major rivers River Sengawek, Segati River and the River Kasai bay.

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

The work area of PT Nusa Wana Raya overlaps in parts with PT Peputra Supra Jaya and occupied public land. The villages around the work area of PT. Nusa Wana Raya are Segati and Gondai in Langgam District, Pelalawan Regency, and Rantau Kasih in the Kampar Kiri District, Kampar Regency.

PT Nusa Wana Raya has entered into MoU for livelihood plants as follows: Batin Bungsu community (Segati village) and Batin Palabi (Gondai village) for the development of plant life in a profit sharing partnership; similarly with the local community of Rantau Kasih for 50 ha of livelihood rubber trees. The Management Unit has also granted access to the local communities to utilize non-timber forest resources that have important functions in their economy such as honey and the seasonal fish pond.

The Management Unit of PT Nusa Wana Raya has a conflict resolution mechanism in the form of Conflict Resolution Protocols. The SOP on Conflict Resolution Protocol seeks to reach an understanding with the community through the process of socialization and the means of dispute resolution. Settlement of disputes with the Company proceed through legal channels, the resolution of any dispute with the community being carried out with deliberation and in a search for consensus.

The Management Unit of PT Nusa Wana Raya manages and monitors the social environment by providing employment



opportunities and business opportunity. This includes: providing information to the local community about employment opportunities as a partner in the company operations; giving priority to local residents to participate in the activities of HTI, and; increasing local employment. Meanwhile, activities to increase public revenues include: providing opportunities for local communities as contractors in the activities of timber and building project implementers; providing training on beekeeping to the public surround the work area or the employees themselves; providing access for the public to search the work area for animal fodder; provide assistance to communities around the work area through Community Development, which includes the areas of education, religion, facilities and infrastructure.

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

The Management Unit has prepared an Environmental Management Plan (RKL) and Environmental Monitoring Plan (RPL) to minimize the negative impacts and enhance environmental quality in its work area. Activities performed include: monitoring of protected areas, erosion and soil quality monitoring, discharge and water quality monitoring, management of hazardous and toxic waste (B3), management and monitoring of protected flora and fauna.

PT Nusa Wana Raya is committed to carrying out sustainable forest management, which it does by delivering regular reports to relevant agencies, as follows: Report of the Environmental Management Plan (RKL), Environmental Monitoring Report (RPL) each semester to the Regional Environmental Agency; Monthly and Annual Reports on the Implementation of Development RKTUPHHK HTI (Annual Work Plan for Utilization of Wood Forest Plantations Industry) addressed to the Director of Sustainable Forest Management, as well as the RKTUPHHK HTI each year.

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

Prior to carrying out the first surveillance audit, PT AJA Sertifikasi Indonesia conducted public consultation commencing October 7, 2016, asking stakeholders to provide feedback and information on 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 the parties via email or postal mail, and published in a local newspaper. PT AJA Sertifikasi Indonesia received no input from stakeholders during the public consultation.

The audit team also gathered information from the mass media about PT Nusa Wana Raya. Such reported cases are considered to be a material part of the audit process carried out by PT AJA Sertifikasi Indonesia.

Management Unit has identified all the necessary requirements for this certification process, comprising 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 is registered for certification of an area of 26,880 hectares.

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

The results of the Stage 1 Surveillance Audit did not identify any areas of non-conformity (NC). The management system of PT Nusa Wana Raya is running effectively and there were no time-critical issues.

#### **Conditions under which the certificate is issued**

Certificate is valid until 10/10/2018 provided that PT Nusa Wana Raya does not have time-critical problems at the next Surveillance visit and completes the surveillance on time.