

Public Report Sustainable Forest Management System

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PUBLIC AUDIT REPORT - SFM
TO BE SUBMITTED TO THE CLIENT, IFCCAND TO AJA EUROPE



JOB NUMBER: AJA/IFCC-032

CLIENT NAME: PT. NUSA WANA RAYA

TOTAL HECTARES: 26.880
Hectare

SCOPE OF REGISTRATION: Sustainable Forest Management of Plantation Forest covering 26.880 Hectares in Riau Province

STANDARD/CRITERIA: IFCC ST 1001:2014 & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Stage 2

AUDIT START DATE: 6 October 2015

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: 10 October 2015

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Amin Kadani

SIGNATURE:

M. Nurul Anwar

SIGNATURE:

MAJOR CARs: 0

MINOR CARs: 11

OBSERVATIONS: 9

RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION (No CARs raised or CARs closed out on site):	<input type="checkbox"/>
RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION FOLLOWING OFF-SITE VERIFICATION OF CAR RESPONSES (CARs raised):	<input checked="" type="checkbox"/>
RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION FOLLOWING ON-SITE VERIFICATION OF CAR RESPONSES (CARs raised):	<input type="checkbox"/>
NON RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION (Evidence Of Major System Failure):	<input type="checkbox"/>

SELECT OPTION

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SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY (If more than 4 sites have been visited please add additional rows):	DATE OF EACH SITE VISIT:
PT. NWR	Kampar Kiri Subdistrict, Kampar Regency and Langgam Subdistrict, Pelalawan Regency, Riau Province - Indonesia.	06-10 October 2015
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 (If more than 4 additional sites have been registered please add additional rows)	
	N/A	
REF No:	ADDRESSES OF INSTALLATION SITES (CLIENT'S CUSTOMER SITES) VISITED AND NOT COVERED DIRECTLY BY THE COMPANY REGISTRATION INCLUDING COUNTRY (If more than 2 installation sites have been visited please add additional rows)	
	N/A	

Brief Description of the concession and its natural and socio-economic conditions.

PT Nusa Wana Raya (PT NWR) is a company engaged in industrial plantation forest management and already have a permit based on the Minister of Forestry Decree No. : SK.241/MENHUT-II/2007, July 19, 2007 on the determination of working area boundaries in the business permit on the Utilization of Timber Forest Product in Industrial Plantation Forest PT. Nusa Wana Raya Covering an area of 26.880 (Twenty-Six Thousand Eight Hundred Eighty) Hectares in Riau Province.

Based on the revised document of RKUPPHK-HTI PT. NWR period 2008 to 2017, HTI spatial planning in PT NWR on the working area covering an area of 26.880 Ha are as follows:

- Protected areas: 4.703 Ha (17,5%)
- Not effective for production Area: 11.421 Ha (42,4%)
- Effective for planting Area: 10.756 Ha (40,1%)

Based on geographical location, the working area of PT NWR is located between 00°00'00" N - 00°10'00" N and 101°20'00" E - 101°46'00" E. Administratively located in the region of Kampar Kiri Subdistrict, Kampar Regency and Langgam Subdistrict, Pelalawan Regency, Riau Province. In addition, working area of PT NWR located in Watersheds of Kampar Kiri with the main river i.e. Sengawek, Segati and Teluk Kasai river.

Working area of PT NWR have a topography 50-150 m dpl. Slope place is composed from Flat (0-8%) covering an area of 10.214 Ha and sloping (8-15%) covering an area of 16.666 Ha. Soil type based on a map of land Units and The Ground Sheet Pekanbaru (0816) Sumatera Scale 1 : 250.000 Year 1988 (Puslitanah) belonging to the two groups, namely the

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Group of Alluvial and Plains group i.e. Aluvial, Latosol and Podsolik with flat-relief-ramps (slope 0-15 %) with the parent material of Young Alluvial and Old Alluvial. Climatic conditions have Climate type A with rainfall amounting to 2.540 mm/year.

Access to the location of working area PT NWR It can be reached by road from Pekanbaru with a travel time of approximately for 2 hours.

PT NWR It is surrounded by a number of villages around the working area, namely Village RantauKasih, Kampar Kiri Subdistrict, Kampar Regency, Riau Province and Segati Village, Langgam Subdistrict, Pelalawan Regency, Riau Province. The majority of villagers is moeslim and derive their main income as farmers and traders.

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

Based on the results of stage 2 audit in PT Nusa Wana Raya (PT NWR) found a number of nonconformities, i.e.11 Minor nonconformities and found a number of 9 Observations for improvement. The entire nonconformities has been taken corrective actions by the company in the field so that all the certification process can be continued and the company has demonstrated the seriousness and commitment to sustainable forest management by means of continual improvement actions to improve its performance.

The nonconformities findings as 11 minor nonconformities are:

1. Has not been done a boundary maintenance activities on the routes of I-C-J-K-L.
2. There is no writing and numbering of Boundary markers at coordinates N 00°04'38,14" ; E 101°40'53,85" and N 00°04'32,47" ; E 101°29'03,56".
3. Creating of spatial marker between Primary Plant and Indigenous Plant and Compartments markers of primary plants does not complied with SOP-001-CAN-NWR Status of HTI Planning.
4. There is no mapping on distribution of protected, endemic, rare and endangered species / nearly extinct flora fauna.
5. There has been no proper measures / Scalable management for key Species management.
6. There has been no monitoring of vegetation that represent of protected areas in addition to KPPN.
7. Do not have cooperation agreements of livelihood plants management with the Rantau Kasih villagers.
8. Has not been done the identification of potential non timber forest products resources that have important value of economic, ecology and social.
9. There is still a social management realization have not been appropriate with the social management plan on RKU i.e. increased income, the economic growth of a environmentally friendly society.
10. There is still a land dispute which still requires communication and more effective consultation.
11. Have not been available a Collective Labor Agreement approved by department of Manpower between labor union (SP2RL PT. SRL-FSP2KI) with the Management Unit.

PT NWR has been done a corrective actions against all nonconformities findings are:

1. reconstitute the maintenance implementation plan (reconstruction) of outside boundaries by considering the physical and social condition along the boundaries routes.
2. Monitor the progress of boundaries markers reconstruction including granting the identity (painting) according to the time frame that has been determined.
3. Set an execution improvements plan (replace) compartments markers by using PVC material as required by SOP-001-CAN-NWR.
4. K3L Division provides a spread map of protected, endemic, rare, and endangered species that are in working area of PT NWR.
5. K3L Division set a management plan of key protected species and endangered species and their habitats.
6. Set policies to carry out the monitoring of vegetation in the protected area at least once in a year.
7. Perform a measurable steps to make the livelihood plants management agreement with the land tenants and other related parties.
8. Add a description of the non timber forest products timber resources in Section E grain 3 from the document SIA (Social Impact Assessment).
9. Set the social management programme in 2015 refers to RKUPHHK-HT 2008-2017, includes construction, increased income, and economic growth.
10. Review SOP conflict resolution protocol to ensure that can take the right decision.
11. Provides a company regulations (PP) that has been approved by authorized agencies.

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The entire corrective actions carried out seriously by the companies supported by some evidence or action plan in the framework of fulfillment to all requirements of the IFCC standard. PT NWR in doing a sustainable forest management IFCC standard have been working hard to meet all the requirements in the IFCC standard ST 1001:2014.

Conditions under which the certificate is issued

The certificate is valid until 10/10/2018, provided that PT Nusa Wana Raya complete all corrective actions in accordance with the timetable proposed in response to the nonconformities that were identified during the initial assessment. Implementation of corrective actions will be checked during the first Surveillance audit.