

# 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 PRIMA MANUNGGAL

TOTAL HECTARES: 4,289 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 4,289 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPES OF AUDIT: Surveillance 1

AUDIT START DATE: February 02, 2023

In signing this document the Audit team confirmed that they 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: February 04, 2023

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

MAJOR CARs: 0

MINOR CARs: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
Head Office	Jl. Lintas Timur, Rukan Akacia Blok I, No. 12, Pangkalan Kerinci, Kabupaten Pelalawan, Provinsi Riau, Indonesia	February 02, 2023
Site	Desa Pangkalan Gondai, Kecamatan Langgam, Kabupaten Pelalawan, Provinsi Riau, Indonesia	February 03 to 04, 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 Nusa Prima Manunggal received the Decree of the Minister of Environment and Forestry No. SK.463/MenLHK/Setjen/PLA.2/11/2018 dated November 05, 2018 concerning the Determination of the IUPHHK-HTI Work Area of PT Nusa Prima Manunggal covering an area of 4,289 Ha in Pelalawan Regency, Riau Province. There was no conversion of natural forest to plantation forest after December 31, 2010, the IFCC certified area is 4,289 Ha.

The location of the work area based on the location of government administration is in Pangkalan Gondai Village, Langgam District, Pelalawan Regency, Riau Province. According to the forestry administration it is included in the Riau Province Environment and Forestry Service. Geographically located at 00°02'04.795" to 00°06'50.651" North and 101°46'18.285" to 101°53'37.000" East.

The borders of the concession are:

- North: Mamahan River, Pangkalan Gondai Village and PT Mitra Unggul Perkasa Palm Oil Plantation.
- South: IUPHHK-HTI PT Siak Timber, IUPHHK-HTI PT Bina Daya Langgam, IUPHHK-HTI PT Arara Abadi (District Nilo).
- West: IUPHHK-HTI PT Nusa Wana Raya.
- East: PT Langgam Inti Hibrindo Plantation HGU.

The concession area has a flat topography (0-8%) with an altitude of 20 to 160 m. Type A climate with rainfall of 2,442 mm/year. The soil type is Red Yellow Podzolic. The geological formations include elements of Minas, Farmer (Tup), Young Alluvial and Shallow Peat. It is included in Tesso watershed and Tesso Forest Group. The types of plants developed are *Acacia crassicarpa* and *Eucalyptus* sp. Currently, *Acacia mangium* is no longer planted.

The Management Unit has complied with regulations related to peatland management. PT Nusa Prima Manunggal has carried out Revision of RKUPHHK in order to improve Peat Management based on Decree of the Minister of Environment and Forestry of the Republic of Indonesia No SK.3515/MenLHK-PHPL/UHP/HPL.1/5/2018 dated 29 November 2018 in the context of improving peat management on behalf of PT Nusa Prima Manunggal in Riau Province. There is a FLEG area allocated as a Peat Ecosystem Protected Function Area of 17 ha.

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

The residents around PT Nusa Prima Manunggal have livelihoods in agriculture as much as 61%, employees of 25%, entrepreneurs of 10% and others of 4%. There are no Customary Law Communities in Riau but there is a customary land tenure. The characteristics of the community around the concession are local communities, even though the cooperation agreement between PT Nusa Prima Manunggal and the village cooperation states that the cooperation is between the company and the customary rights holder.

PT Nusa Prima Manunggal has made conflict resolution efforts with the surrounding community. Based on the Minutes of Cooperation Agreement dated October 28, 2022, between PT Nusa Prima Manunggal and the village. The land was then used as an additional area for cooperation between PT Nusa Prima Manunggal and the village cooperative. This cooperation is performed as the collaboration with the community. The beginning of the collaboration was the initiative of the community to cooperate with companies on land that was claimed as the local community in 2001.

PT Nusa Prima Manunggal has carried out a corporate social responsibility program for the surrounding community. In 2022, PT Nusa Prima Manunggal has realized 91% of the CD program plan for the surrounding community including activities of social infrastructure, community health, community social affairs, and education. There is evidence of reports and minutes of the handover of all activities. This program aids in the form of seeds, fertilizers and polybags for the activities of making livelihood stalls and livelihood kitchens by planting plant in the house yard to be used as a support

for the household kitchen economy. The plant seeds given included cucumber, chili, eggplant, mustard greens, kangkong, soup leaves. The seeds of these plants are planted in each member's house of 20 people.

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

The Management Unit has conducted forest ecosystem and hydrological function management through the following activities:

- Identification of forest management activities that have significant impacts, and conduct environmental impact assessments through:
  - Document UKL UPL IUPHHK-HT of PT Nusa Prima Manunggal approved by the Regional Environmental Impact Management Agency No. 660/Bappedalda/VII/08/606 on July 24, 2008,
  - Revision of RKUPHHK of 2017 to 2026 on Improvement of Peat Management.
  - The implementation of environmental management and monitoring every semester is presented in the Report on the Implementation of Environmental Permits (RPL/RKL).
- Carrying out the Reduced Impact Logging activities before, during and after harvesting.
- Identification of areas functioning for soil and water protection which are designated as protected areas, namely KPPN/KPSL, river borders, and Other Protected Areas.
- Monitoring of negative impacts of forest management activities in concession areas in accordance with Document UKL UPL IUPHHK-HT of PT Nusa Prima Manunggal 2008.
- Monitoring negative impacts in accordance with the SOPs for Monitoring Protected Areas, SOPs for Monitoring Discharge and Water Quality and SOPs for Monitoring Subsidence and PPWT.
- Control the use of B3 (Hazardous and Toxic Materials) according to the SOP for Management of Hazardous and Toxic Waste (B3), SOP for Handling Spills of Fuel, Lubricants and Chemicals, SOP for Weed Control, and SOP for Integrated Pest and Disease Management.

The Management Unit has performed biodiversity management through the following activities:

- Identification and inventory of protected, endemic, rare and threatened/endangered flora and fauna species as well as their habitats and migration patterns in the IUPHHK-HTI area in accordance with applicable regulations. The result of identification are stated in the AMDAL UKL UPL 2008, RKUPHHK-HTI 2017 to 2026, and fauna distribution map.
- Management of Protected Areas in accordance with the RKL/RPL Implementation Report each semester as well as SOPs for Determination of Protected Areas and SOPs for Monitoring Protected Areas.
- Environmental impact assessment of potential impacts on protected, endemic, rare and threatened/endangered species flora and fauna, through UKL UPL documents 2008.
- Not cultivating genetically modified tree species but *Acacia crassicarpa*.

The Management Unit has carried out forest protection through the following activities:

- Identification and monitoring of disturbances in Sustainable Forest Management. Documents resulting from the identification of forest management disturbances found in the area of PT Nusa Prima Manunggal, namely AMDAL document, UKL/UPL IUPHHK-HT 2008, Revised RKUPHHK 2017-2026 and RKL/RPL reports per semester.
- Have documented procedures to prevent and deal with pest attacks, namely Integrated Pest and Disease Control SOPs,
- Regulate the management of chemical pesticides in the field with the following documented procedures: SOP for Weed Control, SOP for Integrated Pest and Disease Control, SOP for Handling Spills of Fuel, Lubricants and Chemicals and SOP for Hazardous and Toxic Waste Management.
- Implemented forest protection measures against fire hazard.
- Prohibition of livestock grazing activities by the community.
- Has implemented appropriate/measurable steps in forest protection activities.

#### Results of the Public Consultation

Prior to carrying out the Surveillance 1 Audit, PT AJA Sertifikasi Indonesia conducted public consultations starting January 12, 2023, asking stakeholders to provide feedback and information about PT Nusa Prima Manunggal. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to parties by e-mail or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia does not receive input from the Public Consultation.

The audit team also collected information from the mass media about PT Nusa Prima Manunggal. The reported cases are considered as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the necessary requirements for this certification process, which consist of legal aspects which include compliance with international rules and regulations and conventions. A management system has been developed to cover all certification activities, which are registered for certification covering an area of 4,289 hectares.

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

The result of the Surveillance 1 Audit is no non-conformity in either the major or minor categories.

**Conditions under which the certificate is issued**

The certificate is valid until March 11, 2025, provided that PT Nusa Prima Manunggal maintains its Surveillance schedule and does not have potential major non-conformities at the next Surveillance.