

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT Nusa Prima Manunggal

TOTAL HECTARES: 4,289

SCOPE OF REGISTRATION: Sustainable Forest Management of 4,289 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 2

AUDIT START DATE: January 31, 2024

AUDIT END DATE: February 2, 2024

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: R Sigit Pamungkas

AUDIT TEAM: Amin Kadeni

Qodly Zaka Syahtriawan

SIGNATURE:

SIGNATURE:

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 5

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	DATE OF EACH SITE VISIT:
Head Office	Jl. Lintas Timur, Rukan Akacia Blok I, No. 12, Pangkalan Kerinci, Kabupaten Pelalawan, Provinsi Riau, Indonesia	January 31, 2024
Site	Desa Pangkalan Gondai, Kecamatan Langgam, Kabupaten Pelalawan, Provinsi Riau, Indonesia	February 1 to 2, 2024
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

PT Nusa Prima Manunggal received the Decree of the Minister of Environment and Forestry No. SK.463/MenLHK/Setjen/PLA.2/11/2018 dated 5 November 2018, concerning the Determination of the IUPHHK-HTI Work Area of PT Nusa Prima Manunggal of 4,289 Ha in Pelalawan Regency, Riau Province. In the work area of the management unit there was no conversion of natural forest to plantation forest after December 31, 2010. Thus, the certified area is 4,289 Ha.

Geographically, PT Nusa Prima Manunggal is located at 00°03'06" to 00°10'07" North and 101°46'05" to 101°48'01" East. The company is surrounded by three villages, including Pangkalan Gondai Village, Panarikan Village, and Langkan Village, Langgam District, Pelalawan Regency, Riau Province. The field visit verification during this audit took samples from a village, namely Pangkalan Gondai Village.

Administratively, it is located 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. 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.

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

The residence of the surrounding village is a local community. According to village heads, the type of economic livelihood is as farmers/cultivators, laborers/services, traders, fishermen, employees/PNS, etc.

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 with the conflict resolution process. This reduction resulted from effective communication and conveyance of complaints such as providing outreach, village consultations, and fulfilling social obligations from the company to the surrounding village community.

PT Nusa Prima Manunggal has an Addendum to the Cooperation Agreement between the company and village communities in livelihood plant. This cooperation began since 2001. This was confirmed by the relevant village officials during interviews. Cooperation is carried out by providing beneficial value to the community. The final benefits will be given in 2023 and in the next harvest cycle.

The organization has carried out social obligations to society through CSR and CD programs. Based on the realization of CSR/CD, the Company has achieved the target of the CSR/CD plan in 2023. CSR activities that have been carried out include infrastructure programs in surrounding villages, social programs such as compensation for orphans and assistance with sacrificial animals, as well as health programs such as PMT counseling.



Description of the Ecological conditions of the concession

PT Nusa Prima Manunggal work area is peat land. Several activities are carried out to protect and maintain the health of the land in the form of monitoring of soil density and fertility, possibility of erosion, water quality, and sedimentation. The organization has identified and monitored disturbances, considering natural disturbance events which pose a threat to the health and vitality of forest resources.

The organization has carried out native/local plant nurseries. The types of seeds developed consist of salam (*Syzygium polyanthum*), guava (*Syzygium claviflorum*), lanang (*Oroxylum indicum*), mahang (*Macaranga* sp), samak (*Glochidion superbum*), forest cempedak (*Artocarpus integer*) and others.

PT Nusa Prima Manunggal has created a sustainable forest management plan based on social and cultural function principles including the principles of FPIC, the rights of indigenous communities and local communities, as well as community socio-economic development. This is why the organization permits the use of non-timber forest products by the community such as sialang honey and fish.

The organization uses chemicals in herbicides in accordance with Minister of Agriculture Regulation. With the hazardous and toxic materials (B3) packages managed properly and correctly. The Company has managed the B3 waste to prevent the pollution to the environment. The organization also does not violate the Stockholm Convention on Persistent Organic Pollutants, 2001 in the use of pesticides. The aim is to protect human health and the environment from persistent organic pollutants.

Results of the Public Consultation

Prior to carrying out the Transition to IFCC ST 1001:2021 + Surveillance 2 Audit, PT Acube TIC International conducted a public consultation starting December 28, 2023, asking stakeholders to provide feedback and information about the PT Nusa Prima Manunggal. The public consultation was uploaded to the PT Acube TIC International website (www.ajaindonesia.com), sent to parties by e-mail or postal mail, and published in local newspapers.

There was a feedback received during the public consultation from a stakeholder about a land of cooperative agreement. It said that there was a possibility that the actual area of the land was exceeded from the area stated in the agreement. The social auditor has verified this matter with the village parties and the public relation from the company. There is a notarial act of the agreement which valid for 35 years. Through field verification, our social auditor has confirmed that the actual area of the land is compliant with the notarial act.

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

The Organization 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 activities in the area of certification, registered for a total of 4,289 hectares.

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

The results of Surveillance 1 Audit were no non-conformities. The management system operates effectively.

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

The Transition to IFCC ST 1001:2021 + Surveillance 2 Audit result is 5 non-conformities in Minor category. The organization has made improvements and the non-conformity can be closed.



No.	Non-Conformities	Corrective Action Performed	Categories
1	Planting activities on several types of land, as well as the harvesting plan in plantation forest have been planned in the RKTTPH document of 2024. However, the planned targets have not been supported by risk and opportunity management. Clause 5.1.1	The organization has provided planning documents for harvesting and planting operational targets in the document of PT Nusa Prima Manunggal risk and opportunity management and management reviews, monthly meetings and internal audits.	Minor
2	The organization has demonstrated Compliance Obligation Status Monitoring. However, the documents being monitored have not been updated, where the regulations shown have been updated up to 2020 and there were regulations that are no longer in force. Clause 5.3.1.1	PT Nusa Prima Manunggal has provided updated monitoring documents for legal obligations (legal requirements and other requirements) and coordinated with the head office and carried out regular internal audits.	Minor
3	The organization has presented the 2023 TBT Boundary Security and Maintenance Implementation Report but cannot show proof of submission of the report to the relevant agencies. Clause 5.3.1.2	PT Nusa Prima Manunggal has provided a report on the implementation of its boundary sign security and maintenance and reported it to the relevant agencies.	Minor
4	The organization has carried out internal audit activities that cover several standards but does not yet include the IFCC ST 1001:2021 Standard. The internal auditors have not taken internal audit training on IFCC Standard ST 1001:2021. Clause 8.2.1	PT Nusa Prima Manunggal has made a proposal to increase the internal auditor competency of IFCC ST 1001: 2021 in 2024.	Minor
5	The organization has implemented a Management Review, but its scope was limited to OHS 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. Clause 8.3.1	PT Nusa Prima Manunggal has carried out management reviews in accordance with the clauses and carried out regular internal audits.	Minor

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00040/III/2018 is valid until March 10, 2025, provided that PT Nusa Prima Manunggal 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 Recertification visit. If the non-conformities are not closed at the next Recertification, the certificate will be suspended until such time as AJA EUROPE is able to perform a closeout visit.