

FOREST MANAGEMENT AND STUMP-TO-FOREST GATE CHAIN-OF-CUSTODY SURVEILLANCE EVALUATION REPORT

PT. Hutan Ketapang Industri

Ketapang District, West Kalimantan Province, Indonesia

SCS-FM/COC-006339

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EXPIRATION
29 March 2025

DATE OF FIELD EVALUATION

31 October – 3 November 2022

DATE OF REPORT FINALIZATION

Day Month Year

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Foreword

Cycle in annual surveillance evaluations				
<input type="checkbox"/> 1 st annual evaluation	<input type="checkbox"/> 2 nd annual evaluation	<input checked="" type="checkbox"/> 3 rd annual evaluation	<input type="checkbox"/> 4 th annual evaluation	<input type="checkbox"/> Other (<i>expansion of scope, Major CAR audit, special audit, etc.</i>):
Name of Forest Management Enterprise (FME) and abbreviation used in this report:				
PT Hutan Ketapang Industri; PT. HKI; HKI; Organization				

All certificates issued by SCS under the aegis of the Forest Stewardship Council (FSC) require annual evaluations to ascertain ongoing conformance with the requirements and standards of certification. A public summary of the initial evaluation is available on the FSC Certificate Database <http://info.fsc.org/>.

Pursuant to FSC and SCS guidelines, annual / surveillance evaluations are not intended to comprehensively examine the full scope of the certified forest operations, as the cost of a full-scope evaluation would be prohibitive and it is not mandated by FSC evaluation protocols. Rather, annual evaluations are comprised of three main components:

- A focused assessment of the status of any outstanding conditions or Corrective Action Requests (CARs; see discussion in section 4.0 for those CARs and their disposition as a result of this annual evaluation);
- Follow-up inquiry into any issues that may have arisen since the award of certification or prior to this evaluation; and
- As necessary given the breadth of coverage associated with the first two components, an additional focus on selected topics or issues, the selection of which is not known to the certificate holder prior to the evaluation.

Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the FSC Certificate Database (<http://info.fsc.org/>) no less than 90 days after completion of the on-site evaluation. Section B contains more detailed results and information for required FSC record-keeping or the use by the FME.

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SECTION A – PUBLIC SUMMARY

1. General Information

1.1 Evaluation Team

Auditor name:	Medita Hermawan	Auditor role:	Audit Team Leader
Qualifications:	Medita Hermawan is a forester from Universitas Gadjah Mada. He started his professional journey in forestry sector as operation planning in plantation company in Sumatra. In 2016, he joined with Rainforest Alliance (in 2018 acquired by NEPCo) until 2021 as Forest Management Coordinator. In this role, he manages the planning and execution of FSC FM audits and assessment in the region. He is also qualified as FSC FM Lead Auditor and Reviewer. He is working as Certification Forester at PT. Scientific Certification Systems of Southeast Asia and has responsibility to manage and conduct audit of FSC FM clients in the region as well as supporting other certification scheme as auditor.		
Auditor name:	Dinda Trisnadi	Auditor role:	Audit Team Member
Qualifications:	Dinda is forester graduated from Faculty of Forestry, Bogor Agricultural University with Bachelor Degree. He received scholarship for short course in Sveriges Landsbruk Universitet, Umea, Sweden in 2004 funded by Asia-Europe Forestry Exchange Program. He was working with WWF-Indonesia as East Kalimantan Province Heart of Borneo Program on sustainable development and conservation until 2012 where he was also member of Indonesia's National Park Management Effectiveness Assessment using RAPPAM and METT in 2010 and member and editor for Indonesia's Protected Areas Ecological Representativeness Gap Analysis in 2011. He works for PT. Rainforest Alliance Indonesia until 2013 before joining PT. Scientific Certification System Indonesia in 2014.		
Auditor name:	Kuntiyadi	Auditor role:	Technical Expert
Qualifications:	<p>Kuntiyadi was obtained a bachelor's degree at the Faculty of Forestry, Gadjah Mada University, Jogjakarta. He has participated in the training of Forest Stewardship Council Forest Management Assessor, Sustainable Production Forest Management Auditor in Production aspect, Timber Legality Verification Auditor in Industry sector and High Conservation Value Forest.</p> <p>Kuntiyadi has more than 20 years experiences as a professional forester. After completing his bachelor's education, he was working for a forest company in several private companies. The areas handled during work at the forest company include planning and production as well as management staff. He was working in international institutions. He got a job as a Certification Advisor for the implementation of forest management standards of the Forest Stewardship Council scheme in enrichment companies in Indonesia both private and state-owned enterprises. As a freelancer, he involved in mentoring forest companies in achieving FSC-FM certification, actively in the Reduced Impact Logging training at forest companies, and as a Forestry expert at Forest and Climate Change (Forclime) in the District Program Management Unit (DPMU) of Berau District, East Kalimantan Province. Currently, he worked as a Sustainable Production Forest</p>		

	Management (PHPL) auditor, Timber Legality Verification auditor, and part of Forest Stewardship Council-Forest Management auditor.
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1.2 Total Time Spent on Evaluation

A. Number of days spent on-site for evaluation	4
B. Number of auditors participating in on-site evaluation	2
C. Number of days spent by any technical experts (in addition to amount in line A)	1
D. Additional days spent on preparation, stakeholder consultation, and follow-up	0
E. Total number of person days used in evaluation	12

1.3 Applicable Standards

All applicable FSC standards are available on the websites of FSC International (www.fsc.org) or SCS Global Services (www.SCSGlobalServices.com). All standards are available on request from SCS Global Services via the comment form on our website. When no national standard exists for the country/region, SCS Interim Standards are developed by modifying SCS's Generic Interim Standard to reflect forest management in the region and by incorporating relevant components of any Draft Regional/National Standard and comments from stakeholders. More than one month prior to the start of the field evaluation, SCS Draft Interim Standards are provided to stakeholders identified by FSC International, SCS, forest managers under evaluation, and the FSC National or Regional Office for comment. SCS's COC indicators for FMEs are based on the most current versions of the FSC Chain of Custody Standard, FSC Standard for Group Entities in Forest Management Groups (FSC-STD-30-005), and FSC Accreditation Requirements. "Applicable standards" are all FSC standards with which the certified entity must comply, not just the standards selected for evaluation this year.

Standards applicable <i>NOTE: Please include the full standard name and Version number and check all that apply based on type of certificate.</i>	<input checked="" type="checkbox"/> Forest Stewardship Standard(s), including version: FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia
	<input checked="" type="checkbox"/> FSC Trademark Standard (FSC-STD-50-001 V2-1)
	<input checked="" type="checkbox"/> SCS COC indicators for FMEs, V8-0
	<input type="checkbox"/> FSC standard for group entities in forest management groups (FSC-STD-30-005),
	<input type="checkbox"/> Other:

1.4 Conversion Table English Units to Metric Units

Length Conversion Factors		
To convert from	To	multiply by
Mile (US Statute)	Kilometer (km)	1.609347
Foot (ft.)	Meter (m)	0.3048
Yard (yd.)	Meter (m)	0.9144
Area Conversion Factors		
To convert from	To	multiply by
Square foot (sq. ft.)	Square meter (m ²)	0.09290304
Acre (ac)	Hectare (ha)	0.4047
Volume Conversion Factors		
To convert from	To	multiply by
Cubic foot (cu ft.)	Cubic meter (m ³)	0.02831685
Gallon (gal)	Liter (l)	4.546

Quick reference	
1 acre	= 0.404686 ha
1,000 acres	= 404.686 ha
1 board foot	= 0.00348 cubic meters
1,000 board feet	= 3.48 cubic meters
1 cubic foot	= 0.028317 cubic meters

2. Certification Evaluation Process

2.1 Evaluation Itinerary, Activities, and Site Notes

Date: 31 October 2022	
FMU / location / sites visited	Activities / notes
HKI Office (KBS)	Opening Meeting: Introductions; client summary of land sales/acquisitions, annual management activities, and stakeholder issues; review scope of evaluation; finalize audit plan; intro/update to FSC and SCS standards; confidentiality and public summary; conformance evaluation methods and review of open CARs/OBS; emergency and security procedures for evaluation team; final site selection.
HKI Office (KBS)	Document review, interview with staff and planning for the next week.
Date: 1 November 2022	
FMU / location / sites visited	Activities / notes
HKI 12	Observe boundary board 1201, observation to camp facilities including fuel storage, logistic warehouse, Generator room, Highly Hazardous Waste Storage (LB3), Rinse house for sprayinh worker, fertilizer storage and workshop. Interview with relevant staff and also observing H&S practice.
Hantak hamlet	Interview with local community, relations between community and the FMU, CSR program planning and implementation, FPIC process on RKT socialization, the community access to the forest and their customary right, villagers' job and business opportunities in the FMU.
Estate HKI 05	Interview with spraying worker, OHS implementation, workers' rights implementation.
HCV 6 area (Old Settlement of Hantak)	Interview with Hantak villager, inspection of HCV area management and protection
Orangutan corridor on HKI 12	Observation on the corridor condition, disturbance to the corridor, distance to protected forest
Wildlife and Vegetation site	Observation on the condition of the plot, interview with staff on the method for survey, interview with staff on information recorded during the survey, cooperation with stakeholder (Nature Resources Conservation Agency – BKSDA)
Manual Weeding at Block L425 HKI 12	Observation on manual weeding activity, interview with workers on the procedure, working condition, contract, health and social

	insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision.
Planting at Block L227 HKI 12	Observation on planting activity, interview with workers on the procedure, working condition, contract, health and social insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision.
Restoration activity at HKI 4 at block 2419	Observation on restoration activity of degraded area by planting <i>Shorea belangiran</i> (CR species), gamal and pulai.
Date: 2 November 2022	
FMU / location / sites visited	Activities / notes
HKI 10 (Block 1515, 3712 & 3012)	Observe and interview with responsible workers to monitor invasive species. Observe and interview with sprayer workers.
HKI 2 base camp	Observation to camp facilities including fuel storage, logistic warehouse, Generator room, Highly Hazardous Waste Storage (LB3), Rinse house for sprayinh worker, fertilizer storage and workshop. Interview with relevant staff and also observing H&S practice.
HKI 8	Observe activities in TPN&G and interview with responsible staff who monitor rainfall to be reported to KBS for Fire Danger Index.
Tangir Jaya and Aur Kuning hamlet	Interview with local community, relations between community and the FMU, CSR program planning and implementation, FPIC process on RKT socialization, the community access to the forest and their customary right, villagers' job and business opportunities in the FMU, Conflict resolution,
Fish Farming (Tangir Jaya hamlet)	Interview with fish farmer, CSR program implementation
HCV 6 (Batu Buaya), Tangir Jaya hamlet	Visiting the sacred place "Batu Buaya", inspection of HCV area management and protection
HKI 1 base camp	Observation to camp facilities including fuel storage, logistic warehouse, Generator room, Highly Hazardous Waste Storage (LB3), Rinse house for spraying worker, fertilizer storage and workshop. Interview with relevant staff and also observing H&S practice.
HKI 1 (Block 2100)	Observation on tapping operation, interview with tapping worker, review on chain of custody, PPE, working condition.
TPG (Latex Warehouse)	Observation on latex warehouse, observation on separation system, interview with worker on chain of custody, loading and unloading process, documents and record for chain of custody.
HCV Restoration at HKI 1 (block E651)	Observation on restoration activity, interview with staff on species for restoration
Fertilizer application at HKI 1 (block 2199)	Observation on fertilizer application, interview with workers on the procedure, working condition, contract, health and social insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision, procedure for bath and washing.
Fertilizer application at HKI 3 (block C844)	Observation on fertilizer application, interview with workers on the procedure, working condition, contract, health and social

	insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision, procedure for bath and washing.
Permanent Sample Plot at HKI 3 (Block 3968)	Observation of permanent sample plot, marking on trees included in the measurement, tree condition, interview with staff on the procedure for permanent sample plot, information recorded during measurement, measurement frequency.
Strip Spraying at HKI 6 (Block 5733)	Observation on strip spraying application, interview with workers on the procedure, working condition, contract, health and social insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision, procedure for bath and washing.
Nursery at HKI 9 (Block 4897)	Observation on nursery activity, interview with workers on the procedure, working condition, contract, health and social insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision, procedure for bath and washing, species produced in the nursery, pest and diseases, mitigation for pest and diseases.
Chemical application for invasive species at 2017 planting at HKI 9 (Block 3692)	Observation on strip spraying application, interview with workers on the procedure, working condition, contract, health and social insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision, procedure for bath and washing.
Manual clearing for invasive species at 2017 planting at HKI 9 (Block 3492)	Observation on strip spraying application, interview with workers on the procedure, working condition, contract, health and social insurance (BPJS Kesehatan and BPJS Ketenagakerjaan), morning briefing, PPE, work time, supervision.
HKI 9 base camp	Observation to camp facilities including fuel storage, logistic warehouse, Generator room, Highly Hazardous Waste Storage (LB3), Rinse house for spraying worker, fertilizer storage and workshop. Interview with relevant staff and also observing H&S practice.
Date: 3 November 2022	
FMU / location / sites visited	Activities / notes
HKI Office (KBS)	Document review and follow up some issues with staff
HKI Office (KBS)	Closing Meeting Preparation: Auditor(s) consolidate notes, deliberate, and confirm evaluation findings.
HKI Office (KBS)	Closing Meeting: Review preliminary findings (potential non-conformities and observations) and discuss next steps.

2.2 Evaluation of Management Systems

SCS deploys interdisciplinary teams with expertise in forestry, social sciences, natural resource economics, and other relevant fields to assess an FME's conformance to FSC standards and policies. Evaluation methods include reviewing documents and records, interviewing FME personnel and contractors, implementing sampling strategies to visit a broad number of forest cover and harvest

prescription types, observing implementation of management plans and policies in the field, and collecting and analyzing stakeholder input. When there is more than one team member, each member may review parts of the standards based on their background and expertise. On the final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant field observations, interviews, stakeholder comments, and reviewed documents and records. Where consensus among team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section and/or in observations.

3. Changes in Management Practices

- ☒ There were no significant changes in the management and/or harvesting methods that affect the FME's conformance to the FSC standards and policies.
- ☐ Significant changes occurred since the last evaluation that may affect the FME's conformance to FSC standards and policies (*describe*):

4. Results of Evaluation

4.1 Definitions of Major CARs, Minor CARs and Observations

Major CARs: Major nonconformances, either alone or in combination with nonconformances of all other applicable indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant FSC Criterion given the uniqueness and fragility of each forest resource. These are corrective actions that must be resolved or closed out before a certificate can be awarded. If Major CARs arise after an operation is certified, the timeframe for correcting these nonconformances is typically shorter than for Minor CARs. Certification is contingent on the certified FME's response to the CAR within the stipulated time frame.

Minor CARs: These are corrective action requests in response to minor nonconformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Most Minor CARs are the result of nonconformance at the indicator-level. Corrective actions must be closed out within a specified time period of award of the certificate.

Observations: These are subject areas where the evaluation team concludes that there is conformance, but either future nonconformance may result due to inaction or the FME could achieve exemplary status through further refinement. Action on observations is voluntary and does not affect the maintenance of the certificate. However, observations can become CARs if performance with respect to the indicator(s) triggering the observation falls into nonconformance.

4.2 History of Findings for Certificate Period

FM Principle	Cert/Re-cert Evaluation (2019)	1 st Annual Evaluation (2020)	2 nd Annual Evaluation (2021)	3 rd Annual Evaluation (2022/ New Std NFSS)	4 th Annual Evaluation (2023)
No findings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
P1	1.2.3 minor	1.1.3L Minor		1.3.6 Minor; 1.6.3 Minor	
P2			2.2.1 Minor; 2.3.1 Minor; 2.3.3 Minor	2.3.2 Minor	
P3					
P4	4.1.2L minor; 4.2.2 minor; 4.2.6 minor; 4.2.7 minor; 4.2.14 minor				
P5					
P6	6.6.7 minor;		6.1.2 Minor; 6.6.6 Minor		
P7	7.3.3 minor; 7.3.4 minor				
P8	8.2.3 observation; 8.2.6 minor			8.2.3 Minor; 8.5.4 Minor	
P9	9.1.2L minor; 9.1.4L minor; 9.2.2 minor		9.4.1 Minor		
P10			10.6.2 Minor; 10.12.1 Observation	10.3.3 Minor; 10.3.4 Minor; 10.12.1 Minor 10.12.12 Minor	
COC for FM		1.2. Minor 2.3 Minor			
Trademark				2.3 Minor	
Group					
Other					

4.3 Existing Corrective Action Requests and Observations

	Finding Number: 2021.01
Finding and Deadline	

<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 2.1.1 Employment practices and conditions for workers* demonstrate conformity with or uphold* the principles and rights of work addressed in the eight ILO Core Labour Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work (1998) and in the applicable national laws and regulations.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation FME has implemented a rule that all of the workers must have a written employment contract and must be signed by the worker concerned. Based on interview with FME workers and document review, there are workers with freelancing daily worker (<i>Karyawan Harian Lepas</i>) status who are given a group employment contract, with a list of signatures of the workers. However, it was found that some worker signatures were signed by another worker. Since the FME's policy is that written employment contracts must be signed by the worker concerned, this is a violation of company policy and is therefore a non-conformity with the established management system. The non-conformity is graded as Minor because only a relatively small number of workers had signatures provided by others, suggesting that the non-conformity is not systemic nor a fundamental breakdown of the management system.	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required Employment practices and conditions for workers* demonstrate conformity with or uphold* the principles and rights of work addressed in the eight ILO Core Labour Conventions and in the applicable national laws and regulations. In accordance with company policy, this shall include employment contracts signed by the worker concerned as regulated by FME rule.	
FME response (including any evidence submitted)	<ul style="list-style-type: none"> - Revision of rights and obligations of daily workers - Memo dated 11 April 2022 to emphasize the implementation of revision of rights and obligations of daily workers - Monthly socialization to daily workers
SCS review	<p>The Organization has made an update within their system that clearly required that all contracts to workers especially for daily workers needs to be signed by respective workers and cannot be represented. The organization has a document called rights and obligations of daily workers that includes daily rate, health insurance, working time etc. The document is part of socialization from the organization to its workers and need to be signed by the workers to ensure all workers are aware about their rights and obligations. On the updated document and to address the gap, the organization includes statement that signatory page shall be sign by respective workers and cannot be represented.</p> <p>Interview with daily workers during onsite visit clarify the implementation of this update. The interviewed workers also aware about this update. Sample evidence also includes rights and obligations of daily workers in September 2022 signed by 9</p>

	daily workers from KBS/ Environment unit. Based on above evidence, the auditor concluded to close the CAR.
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2021.02	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	<p>FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia.</p> <p>Indicator 2.3.1 Health and safety practices are developed and implemented that meet or exceed national law and ILO Code of Practice on Safety and Health in Forestry Work. This includes planning, organization and operational control.</p> <p>Note: National law on this indicator is Government Regulation No. 50 year 2012 on health & safety management system.</p> <p>Note: The scope of this Indicator also includes NTFPs.</p>
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation <ul style="list-style-type: none"> The placement of eyewash in the warehouses containing highly hazardous material (B3) is inconsistent. In the pesticide warehouse, eye washing is using ordinary water tap and placed inside the warehouse, while in the warehouse of highly hazardous material (B3) waste, the eyewash is equipped with a shower and is placed outdoors. Of the 56 heavy equipment operators, not all of them have had the Operation Permit (<i>Surat Ijin Operasi</i>) as regulated in the Minister of Manpower Regulation No. 8 of 2020 concerning the OHS of Lifting and Transportation Vehicle. <p>Since the inconsistent eyewash station was detected at only one site and a relatively small number of heavy equipment operators didn't have operation permits posted, as required by regulation, the non-conformity is not systemic and is therefore graded as Minor.</p>	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required FME shall ensure the health and safety practices meet or exceed national law and ILO Code of Practice on Safety and Health in Forestry Work. This shall include having the correct type of eyewashing stations and ensuring that heavy equipment operators post operational permits, as required by regulation.	
FME response (including any	- The organization has set a standard for their eyewash station and made a procurement

evidence submitted)	<ul style="list-style-type: none"> - Eyewash installment to chemical storage on each base camp - Work Instruction HKI-PNR-OHS-1101 to use the eyewash - Socialization to workers on how to use the eyewash - SIO operator and its planning
SCS review	<p>The organization has set a standard for their eyewash based on discussion with their PPE vendor. The eyewash is specifically design so that it will be standardize across all HKI base camp. The installment has been done to all HKI base camp as can be seen to the record dated 13 September 2022 about eyewash delivery to HKI 12. The organization also developed work instruction to use the eyewash and has conducted training to all HKI base camp on how to use the new eyewash as can be seen on the record of eyewash training in 2022. Onsite observation confirmed that the new eyewash has been installed to all HKI chemical storage visited during audit (HKI 2, HKI 10, HKI 12 and HKI 1). The auditors also confirmed that workers are able to use the new eyewash.</p> <p>Regarding to SIO, currently there are 18 out of 42 operators has been granted with the SIO, planning for the rest of the operators also provided to the auditors with email communication evidence dated 20 October 2022. Some issues during SIO planning found by the organization such as the requirement to get the SIO is the operator shall be at least having junior high school certificate while majority of the operator are only elementary school. Previously the organization prioritized experience for the operator rather than formal education. The organization also want to accommodate and provide opportunity for local workers. With the situation, the organization has planned the operator to get SIO for those who has junior high school certificate and only will accept new operator with minimum junior high school. For operator with elementary school certificate, the organization has allocated and plan to other division.</p> <p>Based on above evidences, the auditor concluded to close the CAR.</p>
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2021.03	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 2.3.3 Use of personal protective equipment is enforced.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation	

Based on the video recording review of cup lump collection activity in HKI 1 and HKI 2 Estate, it is found that during the process of applying vinegar to the rubber tapping bowls and cup lump collection by workers, they did not use appropriate rubber gloves as specified in the Work Instruction (WI) of Rubber Tapping (No. WI-HKI-OPR-EST-0601). Based on interview with rubber tapping workers and foremen, the use of rubber gloves as PPE when applying vinegar or collecting cup lumps is mandatory, therefore warranting a non-conformity. Since improper gloves were only detected at 2 of 11 sites sampled, the non-conformity is not systemic nor a fundamental breakdown of the management system and has been graded a Minor.	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The FME shall enforce the use of personal protective equipment enforced, including providing workers with required PPE for cup lump collection.	
FME response (including any evidence submitted)	<ul style="list-style-type: none"> - Memo no. 001/SAHO/RUB/01/22 regarding safety briefing - Revised PPE procedure No. P-HKI-PNR-OHS-14 - Checklist PPE during safety briefing - Balance Score Card including PPE inspection
SCS review	<p>The organization has made a memo to all workers with 001/SAHO/RUB/01/22 regarding safety briefing. The memo stipulated that all activity shall be started with safety briefing and specifically for morning briefing, supervisor shall check PPE by using PPE checklist. The checklist then shall be gathered to OHS department monthly. The memo also clearly said those who do not wear PPE as specified shall not continue their work. PPE procedure also revised to accommodate this change.</p> <p>In the bigger aspect, the organization has a systematic Health and Safety evaluation called BSC (balance score card). The BSC evaluates H&S aspects which consisted of 11 KPI index with one of those is regarding PPE inspection. PPE inspection aspect performance record were reviewed during the audit. This BSC result is contested monthly across HKI estates.</p> <p>Onsite observation confirmed that workers use appropriate glove during vinegar application. Thus, the auditor concluded to close the CAR.</p>
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2021.04	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 6.1.2(L): Assessments of environmental values are conducted and documented with a level of detail and frequency so that: 1) Impacts of management activities on the identified environmental values can be assessed as per Criterion 6.2;

	<p>2) Risks to environmental values can be identified as per Criterion 6.2;</p> <p>3) Necessary conservation* measures to protect values can be identified as per Criterion 6.3; and,</p> <p>4) Monitoring of impacts or environmental changes can be conducted as per Principle 8.</p>
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation	<p>Based on document review, the organization has conducted various monitoring activities according to the frequency and intensity of operations, and is consistent with the methods stated in the environmental management and monitoring plan (RKL-RPL). The management and monitoring programs have also involved many relevant stakeholders including the local community, research institutions, universities, etc. However, auditor observed that the erosion monitoring report in 2020 shows illogical results. For example, based on the results of analysis, erosion value in February with a rainfall of 277 mm reached only 0.08 tons/ha, while in May that has lower rainfall of 250 mm, it showed a remarkably higher erosion value of 1.87 tons/ha (23x higher).</p>
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required	<p>The Organization shall use appropriate methods and analysis to calculate or evaluate the measurement data.</p>
FME response (including any evidence submitted)	<p>During 2020, the rainfall data was obtained from the Ombrometer station located in the Estate Office, hence the data obtained was less accurate than the rainfall data collected at the erosion plot in the field. Therefore, starting from January 2021 to June 2021, rainfall data collections were carried out using an Ombrometer that has been installed around the erosion plot so that the data obtained from the plot location is the same as the erosion observation plot. The Minutes of Installing Ombrometers in Erosion Plots and Results of Erosion Observations in Semester I of 2021 have been submitted.</p>
SCS review	<p>Prior to the finalization of the report, the Organization submitted the results of the latest erosion measurements (January-June 2021). In the previous measurement (2020), the location of the rainfall monitoring station was far from the location of the erosion monitoring plot. In the latest measurements, the rainfall monitoring station is placed near the erosion monitoring plot, so that it can represent the rainfall conditions at the erosion plot location. The results of the measurement of rainfall are proportionate to the erosion value, showing a higher erosion value when the rainfall increases with the erosion values ranging between 0.31 – 0.69 tons/ha.</p>
Status of CAR:	<p><input checked="" type="checkbox"/> Closed</p> <p><input type="checkbox"/> Upgraded to Major</p> <p><input type="checkbox"/> Other decision (refer to description above)</p>

Finding Number: 2021.05	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	

FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 6.6.6: An internal regulation is in place banning and punishing illegal transportation of and trade in wildlife and firearms in the facilities and vehicles of The Organization.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation Based on document review, the Organization has issued the Memorandum of CEO No: 003/SAHO/RUB/01/20 dated 20 January 2020 regarding Biodiversity Conservation. Based on the memorandum, all workers are prohibited to conduct hunting within the management unit, keeping protected animals, and possessing firearms. However, based on the results of interviews with workers, there are several workers who have air rifles that are used for hunting in the concession area, particularly for hunting birds such as parrots and pigeons. Based on Regulation of the Head of the State Police of The Republic of Indonesia Number 8 Year 2012, air rifles are included in firearms, particularly categories as sports fire weapons and its use requires permission from the authorities.	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The Organization shall ban the possession of firearms (including air rifles) by staff and workers within the unit management.	
FME response (including any evidence submitted)	<ul style="list-style-type: none"> - Revision, training and re-iteration of Memorandum on Biodiversity Protection to Head of Departments and Estate Manager - Revision of Procedure on Forest Protection and Security No. WI-HKI-PNR-SOC-1001 with addition of monitoring/inspection of fire arm, air gun, air soft gun ownership. - Report on monitoring/inspection of firearm and air gun ownership.
SCS review	<p>Auditor reviews the Procedure on Forest Protection and Security No. WI-HKI-PNR-SOC-1001 and found that for regular patrol for flora and fauna hunting has a stipulation to cooperate with external party for inspection of firearm, air gun and air soft gun in employee housing 2 times a year.</p> <p>The issue of the ownership of firearm, air gun and air soft gun found to have been discuss on Coordination Meeting of the organization on 9 April 2022. Based on review of the document, it discussed 19 issues and the issue ownership of firearm, air gun and air soft gun was discussed on issue number 9 (regarding inspection) and 10 (installation of information board on prohibition/appeal on ownership of firearm in employee housing).</p> <p>To verify the implementation of the procedure, auditor review the following document:</p> <ol style="list-style-type: none"> 1. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on March 2022 2. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on October 2022 <p>In both documents, the organization collaborates with Nature Resources</p>

	<p>Conservation Office of West Kalimantan. Two forest rangers joint the patrol by the organization and the method of the patrol is collect information on the condition of housing, the location of regular patrol and indicative location of illegal activity, coordinate with Police in Kendawangan (Polsek Kendawangan), army in Kendawangan (Koramil Kendawangan) and fire brigade (Manggala Agni). Patrol then conducted by using car and boat on river. The route was on road usually used by community for forest and land burning, encroachment and illegal logging and illegal hunting. The patrol was done as a preventive that include training for perpetrator and repressive for perpetrator with commercial motive and has repetitively done the violation.</p> <p>On the March 2022 document, the joint team conducted patrol on HKI8, HKI 3, HKI 1, HKI 10, HKI 2, HKI 4, HKI 6 and HKI 9 and inspect the employee housing for firearm and air gun, training on each employee in the training to not do hunting, illegal logging, land burning, and illegal fishing. The result is some gun was found and some employee found to kept protected and non-protected wildlife. The gun was then taken by the Police and the owner is recorded. The wildlife in captive was also taken and release in the wild. The team also found illegal logging from community. The team found that the logs was used to repair the community house. The team record the perpetrator identity and inform the perpetrator to not repeat the activity.</p> <p>The team also found community transporting logs by using truck to collector in Air Hitam Village. The truck found to have 35 processed timber (beams). The timber was unloaded as evidence and further processed by the police and 3 individual was given warning letter to not repeat the violation.</p> <p>On the October 2022 report, the activities of the joint team is still the same regarding the training and socialization to employee on hunting, illegal logging, encroachment, etc.</p> <p>Based on this finding this CAR is closed.</p>
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2021.06	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	

Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 9.4.1: A program of periodic monitoring assesses: 1) Implementation of strategies; 2) The status of High Conservation Values including High Conservation Value Areas on which they depend; and 3) The effectiveness of the management strategies and actions for the protection of High Conservation Values to fully maintain and/or enhance the High Conservation Values.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation FME has developed HCV Management and Monitoring Plan in 2019 based on HCV assessment result in 2017. The HCV management of FME implement five main strategy, namely: <ol style="list-style-type: none"> 1. Environment friendly of harvesting method. 2. Forest protection 3. Restoration and rehabilitation of degraded area. 4. In-situ conservation of protected, rare and threatened species. 5. Collaborative forest management (with government, NGOs, local community, other companies). While, for HCV monitoring, FME implement four main strategy, consists of: <ol style="list-style-type: none"> 1. Thorough mapping of HCV area, land cover and land use within and surrounding of FME concession area. 2. Data collection and field survey. 3. Periodic monitoring of HCV attributes 4. Monitoring and evaluations of HCV management activities participatively with stakeholders (i.e. local NGO, local community) The HCV Management and Monitoring Plan has included the monitoring activity, frequency, tools and success indicator for each HCV management activity to assess its implementation. Based on the report of HCV Management and Monitoring Activity in 2019 and 2020, it is found that FME has used the periodic HCV monitoring for assessing the strategy implementation and status of the HCV. Although, there is no evaluation for the HCV management activities conducted and reported in the report provided by FME, the HCV management and monitoring plan has included the evaluations activity to assess the effectiveness of management activities as one of the process in the monitoring program. The lack of an evaluation of the effectiveness of management activities, as specified in the third requirement in Indicator 9.4.1., warrants a non-conformity. The non-conformity is graded a Minor because the FME has an HCV monitoring program that includes the other requirements of the Indicator, suggesting that this is not a systemic problem nor a fundamental breakdown of the management system.	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The FME shall have a program of periodic monitoring that includes the effectiveness of the management strategies and actions for the protection of High Conservation Values to fully maintain and/or enhance the High Conservation Values.	
FME response (including any evidence submitted)	- Evaluate HCV management and monitoring activities based on MPP Consultation with expert

SCS review	The organization has provided auditor with their communication via email with HCV expert in Indonesia from IDEAS Consulting. Based on the communication, the expert found the organization has create evaluation document and the input is to add classification of effective, less effective and not effective.			
	Auditor reviews the Report of Effectiveness Evaluation of Strategy on HCV Monitoring and Evaluation. The report has included how the organization conducted the evaluation such as			
	Method	Issue	PIC	Implementation
	Document Review	Rehabilitation of conservation area	- Assistant Environment - Faculty of Forestry of UGM	2019
		Consultation and cooperation with external party	- SM EHS and Cert - External Relation	2019-2021
		Participatory Mapping and Social Management Plan Document	- Assistant Social - Technical Expert	2019
		Monitoring of Conservation Area	- Assistant Social - Field Assistant - Security	2019-2020
		Analysis on flora and fauna	- Assistant Environment - Technical Expert	2019
		Monitoring of environment quality	- Assistant Environment	2019
		Designation of habitat for CR species	- Assistant Environment - Technical Expert	2019
	Focus Group Discussion	Rehabilitation of conservation area	- Assistant Environment - Faculty of Forestry of UGM	2020
		Invasive Species Management and Monitoring	- Assistant Environment - Field Assistant - Technical Expert	2019-2021
		Mapping of CR species habitat	- Assistant Environment - Technical Expert	2020-2021
		Participatory Mapping and	- Assistant Social - Technical Expert	2019

		Social Management Plan Document		
		Monitoring of Conservation Knowledge	- Assistant Environment	2019-2021
		Training and simulation	- Assistant Fire fighter - SM External Relation and Fire Fighter	2019-2021
		Integrated Patrol	- Assistant Fire fighter - SM External Relation and Fire Fighter	2019-2021
		Training on HCV 5 and HCV 6	- Assistant Social - Technical Expert	2019
		Monitoring of community that use NTFP and Cultural Site	- Assistant Social - Technical Expert	2021
<p>In table 1 of the document, there is result of evaluation of effectivity of strategy for HCV management and table 2 is result of evaluation of effectivity of strategy for HCV monitoring. The table has included evaluation if the activity has been effective, less effective, or not effective. Follow up action has also been provided in case the evaluation is less effective or not effective.</p> <p>Thus this CAR is closed.</p>				
Status of CAR:		<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)		

Finding Number: 2021.07

Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 10.6.2: When fertilizers are used, their ecological and economic benefits are equal to or higher than those of silvicultural systems that do not require fertilizers.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation	

<p>Currently, FME implements a rubber plantation system that uses fertilizers. The FME has developed the procedures to ensure that the use of fertilizer is as effective as possible and conducted a trial program to look at the possibility of minimizing or avoiding the use of fertilizers. However, there is no information or data provided so far that the ecological and economic benefits of the current system applied by FME is equal to or higher than those of silvicultural systems that do not require fertilizers. As the standard requires that such a cost-benefit analysis be developed, a CAR is warranted. While this is a clear non-conformity with Indicator 10.6.2, the lack of this analysis is not considered to be systemic nor a fundamental breakdown of the management system.</p>	
<p><input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required</p> <p>When fertilizers are used, their ecological and economic benefits shall be equal to or higher than those of silvicultural systems that do not require fertilizers.</p>	
<p>FME response (including any evidence submitted)</p>	<ul style="list-style-type: none"> - Report on Supervision of Rubber Plants of PT. Hutan Ketapang Industri - Report on Trial Design - Record on Fertilizer Usage
<p>SCS review</p>	<p>The organization has Report on Supervision of Rubber Plants of PT. Hutan Ketapang Industri developed by Dr. Karyudi and Ir. Istianto, MS. Dr. Karyudi was a Principal Researcher in Plant Cultivation at the Indonesian Plantation Research Center and Ir. Istianto, MS is researcher on Agriculture.</p> <p>Based on review of the report, it was developed based on field visit on 4-8 April 2018 to evaluate and identify plantation condition, growth and production of plant and provide recommendation to improve growth and production of rubber trees in the management unit. The supervision was done through survey covering field observation, collection of secondary and primary data and discussion with employee and management on PT. HKI. The report has overview of the current condition of planted trees, stems, rainfall, and productivity.</p> <p>The report provided recommendation such as for tree that does not grow small on shallow hard pan to be replaced with other forestry species that grow well on local soil condition and agroclimatic such as acacia, eucalyptus, Pongamia pinnata, jelutung rawa or other feasible species. As well as type of fertilizer, dose, and disease control. Justification for using fertilizer also available in the report, which is to drive vegetative growth, increase circumference of stem, and enforce growth of root to enable the root to spread to absorb nutrient widely.</p> <p>The organization also has a trial program of sustainable practices in rubber plantation by comparing different treatments of rubber plantation in the research plots. The trial program consists of different treatment for different stages of rubber plantation.</p> <p>The different stages of rubber plantations are as follows:</p> <ol style="list-style-type: none"> 1. Land preparation and planting 2. Initial plant growth (1 year) 3. 2-6 years of plant growth period 4. Harvest preparation period (5-7 years old) 5. Harvest period (6-8 years old) <p>In every stage, there will be different treatments consists of:</p>

	<p>1. Industrial rubber (intensive maintenance with fertilizers application as recommended)</p> <p>2. Rubber Agroforestry, treatment 1 (low maintenance, standard fertilizers)</p> <p>3. Rubber Agroforestry, treatment 2 (low maintenance, low fertilizers)</p> <p>The target of fertilizers application in the Rubber Agroforestry, treatment 2 is 50 % until as low as possible of recommended dose.</p> <p>The organization has recorded their use of fertilizer and found that it has reduced from 4,066.31 ton in 2020, 3,084.982 ton in 2021 and 838.625 ton in 2022.</p>
Status of CAR:	<p><input checked="" type="checkbox"/> Closed</p> <p><input type="checkbox"/> Upgraded to Major</p> <p><input type="checkbox"/> Other decision (refer to description above)</p>

Finding Number: 2021.08	
Finding and Deadline	
<p><input type="checkbox"/> Major CAR: Pre-condition to certification/recertification</p> <p><input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report</p> <p><input type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>)</p> <p><input checked="" type="checkbox"/> Observation – response is optional</p> <p><input type="checkbox"/> Other and deadline (specify):</p>	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	<p>FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia.</p> <p>Indicator 10.12.1: Collection, clean up, transportation and disposal of all waste materials is done in an environmentally appropriate way that conserves environmental values as identified in Criterion 6.1 and applicable laws listed in Section 3.4 of Annex A.</p>
<p><input type="checkbox"/> Non-Conformity Evidence <input checked="" type="checkbox"/> Observation Justification and/or Explanation</p> <p>The Organization has established final organic waste disposal (landfill) in each estate. However, based on observations through video reviews, it was found that wastes piled up above the ground level. The waste piled up on one side with a height higher than ground level, while the other side is still empty.</p> <p>Since the FME has a dedicated landfill for organic waste disposal, it is in conformance with the standard. However, auditors observed that the waste should be redistributed to keep it below ground level and therefore not at risk of spilling out of the landfill.</p>	
<p><input type="checkbox"/> Non-Conformity Corrective Action Request <input checked="" type="checkbox"/> Observation; no Corrective Action is required</p> <p>The disposal of all waste materials should be carried out in an environmentally appropriate way that conserves environmental values, including ensuring that landfills used for organic waste disposal properly contain the material to avoid distributing it beyond the landfill</p>	
FME response (including any evidence submitted)	<ul style="list-style-type: none"> - Revised Waste Management Procedure No. P-HKI-PNR-OHS-03 - Land fill monitoring monthly
SCS review	The Organization has made revision to their waste management procedure that

	<p>includes instruction to dump any organic domestic waste in the backyard. This is to reduce the waste volume in the land fill. The procedure also now clearly ask to increase the landfill size so that there will be no overcapacity issue in the future. The organization also clarify this during site visit that all Landfill visited are below the ground level and at some point, will be buried.</p> <p>However, during site visit to nursery in HKI 12 the auditor found significant pile of polybag plastic waste. According to responsible staff, HKI 12 is just established with many planting activities. HKI 12 is one of the farthest estates from nearest public facilities such as road and hard to be accessed during rainy seasons. Thus, to find transporter to transport the polybag waste from site is difficult. The auditor acknowledges the challenge to transport the polybag waste and the organization has made effort by make a concentrate pile of this waste with fence so that it will not scatter around. It was also clearly observed that the waste just recently gathered and not piled for a long time.</p> <p>During onsite visit to estates facilities such as chemical storage, highly hazardous waste storage and rinse house the auditor concluded that the organization doesn't have standardized oil trap ditch and or control tub for their estates so that there is a risk that the water flow can be affected by external substance like rainwater or any material. Based on above findings, the auditor concluded to upgrade and issue minor CAR.</p>
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input checked="" type="checkbox"/> <i>Other decision (refer to description above)</i>

4.4 New Corrective Action Requests and Observations

Finding Number: 2022.01	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. 1.3.6(L): The Organization* ensures that the requirements of 1.3.3 - 1.3.4 are also met by contractors with legal registration.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation	
The Organization currently engage with several contractors for their operations. The organization has made an agreement for each contractor with legal entity before they can work with the organization. Sample	

<p>agreement reviewed with no 130/HKI/II/22/HQ/CA. Based on the reviewed agreement, the agreement covered aspects that required the contractor to follow any applicable regulation including tax payment, minimum wage for its workers, no child labor, Health and Safety etc. The organization also found has a complete record on legal entity for each contractors including the latest tax payment done by the contractors. Regarding to Health and Safety, the organization also includes the monitoring on the BSC program for each estate. However, the organization doesn't have clear system to monitor that the contractor also respects other requirement written on the agreement. For example, the organization doesn't have consistent approach to monitor that the contractors pay its workers according to applicable regulation related to minimum wage. The organization also doesn't have system to monitor that the contractors cover all workers with BPJS. The auditor concluded to issue minor CAR given during onsite visit and interview with workers, the auditor doesn't find any indication the contractors pay the workers below minimum wage and all interviewed workers are covered by BPJS.</p>	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The organization shall have a system to monitor its contractors and ensure that the requirements of 1.3.3 - 1.3.4 are also met by contractors with legal registration.	
FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2022.02	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 1.6.3: Up to date records of disputes related to issues of applicable laws* or customary law*, are held including: 1) Steps taken to resolve disputes*; 2) Outcomes of all dispute* resolution processes; and 3) Unresolved disputes*, the reasons they are not resolved, and how they will be resolved.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation The organization keeps up-to-date records of disputes related to land claims, and social and cultural conflicts that occur related to the people in the working area. The records contain a chronology of the steps taken to resolve the dispute and the involvement of the parties including the mediator in the settlement	

of the dispute. The records are compiled in the Monthly Manager Report from January 2019 to September 2022. Auditors has reviewed a social conflict monitoring and handling report. There were records of disputes that have been resolved or are still in the process of being resolved. Explained in the disputed record, regarding the steps taken for dispute resolution.

For the cultural unresolved dispute, there is a chronology that causes the dispute to be unfinished and the steps that will be taken. Auditor has observed unfinished land disputes in the land conflict and occupation records. The interviewed Community and Social Manager have identified the causes of conflict that have not been resolved and how it will be resolved but auditor cannot find information on why the land disputes is not resolved yet on the record.

<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The organization shall include reason why the conflict has not been resolved and how the conflict will be resolved both in the social conflict monitoring & handling report, and in the conflict and land occupation records.	
FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2022.03

Finding and Deadline

- ☐ **Major CAR:** Pre-condition to certification/recertification
☐ **Major CAR:** 3 months from Issuance of Final Report
☒ **Minor CAR:** 12 months or next regularly scheduled audit, whichever comes first (*surveillance or re-evaluation*)
☐ **Observation** – response is optional
☐ **Other** and deadline (specify):

FMU CAR/OBS issued to (when more than one FMU):

Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 2.3.2: Workers* are provided with personal protective equipment appropriate to their assigned tasks by The Organization*.
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☒ **Non-Conformity Evidence** ☐ **Observation Justification and/or Explanation**

The Organization has developed HIRA for each activity in the Organization operation and identified PPEs to be used by the workers based on their work type/activities. The Organization also prohibits the workers from working without using PPE as stated in the CEO Memorandum No. 015/SAHO/RUB/11/20 dated on 23 November 2020. The SOP of PPE also describe the sanction for the PPE use violation by the workers.

Based on interview with staff and field workers (chemicals sprayers, rubber tapers, fire-fighters, rubber tree maintenance workers, nursery workers, generator operator, harvesting foreman) the auditors verified

<p>that the Organization has provided PPEs for the workers based on Hazard Identification and Risk Assessment (HIRA) results. However, the auditor found that one of the sprayers (TUS worker) wear apron that slightly damaged which allow the worker to be exposed with chemical substance. The supervisor doesn't prevent the worker from working with the condition. The auditor also found that one of the fertilizer application workers (TUP worker) wear their own boots given the boots provided by the organization provided them with a bigger size. According to interview with the supervisor, they already request PPE and especially boots to logistics in accordance with workers' size. However, they received the boots with different size. Considering that the gap identified only in limited area, the auditor concluded to issue minor CAR.</p>	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The Organization shall ensure that the workers received the PPE appropriate to their assigned tasks by The Organization	
FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2022.04	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 8.2.3: Changes in environmental conditions are monitored* consistent with Annex E.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation The organization has developed procedure for collecting data such as: <ul style="list-style-type: none"> - Yield of all forest products harvested: SOP for Forest Products Administration and CoC (<i>Penatausahaan Hasil Hutan & CoC</i>) No. P-HKI-PNR-PLN-10 dated 1 April 2022. - Growth rates, regeneration and condition of the forest: SOP for Monitoring of Permanent Sample Plot (PSP) No. P-HKI-PNR-PLN-01 dated 28 June 2021 - Environmental and social impacts of harvesting and other operations: SOP Monitoring of Watercourses No P-HKI-PNR-ENV-03 dated 1 April 2017, SOP for Encroachment and Hunting Handling No. P-SAG-HKI-SOC-02 dated 1 April 2016, SOP for Conservation Area Management and Monitoring No P-HKI-PNR-ENV-01 dated 1 May 2020, SOP for Developing Biodiversity Management Plan No. P-HKI-PNR-ENV-07 dated 7 August 2018, SOP for Management of Biodiversity Data No. P-HKI-PNR-ENV-09 dated 7 August 2018 	

<p>- Costs, productivity, and efficiency of forest management: SOP for Management Review (<i>Tinjauan Manajemen</i>).</p> <p>Based on review of the SOPs, the method for collected is sufficient to identify and describe significant changes in populations over time.</p> <p>The organization has documented data collection of key species of fauna in several reports such as Report of Study on the Biodiversity of Butterfly Species in Five Forest Types, Report on Kalimantan Orangutan (<i>Pongo pygmaeus wurmbii</i>) Population and Biodiversity Survey, Report on Biodiversity Monitoring, Report on Wildlife Monitoring, and Activity Report on Management and Monitoring of Germ Plasm Preservation Area (KPPN), Wildlife Conservation Area, River Buffer Zone, and HCV Management Area (HCV 3).</p> <p>The organization also monitor their environmental condition through environmental management and monitoring report that developed every six months and reported to the local environmental agency. And permanent sample plot to monitor growth and yield of rubber timber.</p> <p>For the permanent sample plot, the organization has designated trees to be monitored by marking the bark with red paint in its circumference. The organization staff will measure the circumference by placing the measurement tape around the paint. However, auditor found that the trees also has been tap by engraving groove into half of the tree. Auditor concern when the other half of the paint to be engrave with grove, it will make the measurement inconsistent.</p>	
<p><input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required</p> <p>The organization shall ensure measurement result is collected to reflect changes in environment conditions.</p>	
FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2022.05	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	<p>FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia.</p> <p>Indicator 8.5.4: Sales invoices or similar documentation are kept for a minimum of five years for all products sold with an FSC claim, which identify at a minimum, the following information:</p> <p>1) Name and address of purchaser; 2) The date of sale;</p>

	<p>3) Common and scientific species name; 4) Product description; 5) The volume (or quantity) sold; 6) Certificate code; and 7) The FSC Claim "FSC 100%" identifying products sold as FSC certified.</p> <p>FSC Trademark Standard (FSC-STD-50-001 V2-1) 2.2 Information about all products sold shall be compiled and documented for all FMUs in the scope of certification, including: 1) Common and scientific species name; 2) Product name or description; 3) Volume (or quantity) of product; 4) Information to trace the material to the source of origin harvest block; 5) Harvest date; 6) If basic processing activities take place in the forest, the date and volume/quantity produced; and Whether or not the material was sold with an FSC Claim.</p>
<input checked="" type="checkbox"/> Non-Conformity Evidence	<input type="checkbox"/> Observation Justification and/or Explanation <p>The Organization has developed SOP Rubber P-SAG-HO-ABT-29 which regulates sales, transporter and invoice issuance. Based on interview with relevant staff mentioned that buyer is decided based on price. The decision to select the buyer is decided through meeting between commercial director, Jakarta team and Kendawangan team. However, based on the SOP, buyer decision is only decided by commercial team (point 7.3.3).</p> <p>The auditor also reviews few sampled invoices during audit and found that the product description is not correct. The product description written on the invoice was "Karet" or rubber instead of "Getah Karet" or rubber latex. The invoices also don't include all requirement as required by indicators such as no FSC certificate code and species name in scientific. Sample invoices reviewed as below:</p> <ul style="list-style-type: none"> - 011/RUB/IV/HKI/1221 dated 27 December 2021 - 002/RUB/IV/HKI/0122 dated 18 January 2022 - 004/RUB/IV/HKI/0422 dated 19 April 2022 - 016/RUB/IV/HKI/0522 dated 28 May 2022 - 020/RUB/IV/HKI/0622 dated 17 June 2022 - 037/RUB/IV/HKI/0822 dated 20 August 2022 <p>Based on above findings, the auditor concluded to issue minor CAR</p>
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request	<input type="checkbox"/> Observation; no Corrective Action is required <p>The Organization shall consistently implement the procedure written and cover all information on the sales document as required by indicators.</p>
FME response <i>(including any evidence submitted)</i>	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major

	<input type="checkbox"/> <i>Other decision (refer to description above)</i>
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Finding Number: 2022.06	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 10.3.3: Management activities are implemented by The Organization*, preferably in cooperation with separate regulatory bodies where these exist, with an aim to control the invasive impacts of alien species*.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation	
<p>The main species planted in the management unit is rubber tree (<i>Hevea brasiliensis</i>). Although the species is not native in Indonesia, rubber tree has been introduced to Indonesia during Dutch Colonial and has been adapted to Indonesia's condition and show that it is appropriate to Indonesia.</p> <p>The Organization also planted <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The Organization has justification for using mucuna as cover crop and documented on a study report named "Kajian Dugaan Spesies <i>Mucuna bracteata</i> sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet" in 2018.</p> <p><i>Mucuna bracteata</i> is potentially classified as an invasive but based on direct experience, the Organization can control the spread of <i>Mucuna bracteata</i> by manually slash it using a machete and chemical. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February 2022.</p> <p>Based on interview with relevant staff, to control the spread of <i>Mucuna bracteata</i> and other invasive species like Acacia to outside rubber plantation, the organization conducted regular monitoring to area that has risk for the spread. For example, for plantation area that close to protected area. Monitoring plan and its realization were recorded on the spreadsheet for each estate. The spreadsheet includes management activities that need to be done to control the spread. The auditor found that based on the record, majority of planned management activities to control <i>Mucuna bracteata</i> in 2022 is not conducted yet while the report for 2021 is not available. Considering the plan is already set and the organization has a clear system to control the invasive impacts of alien species used, the auditor concluded to issue minor CAR.</p>	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required	
The Organization shall ensure the implementation of invasive alien species consistently done across all	

estate.	
FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2022.07	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 10.3.4: The spread of invasive species* is controlled by The Organization*.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation	
<p>The main species planted in the management unit is rubber tree (<i>Hevea brasiliensis</i>). Although the species is not native in Indonesia, rubber tree has been introduced to Indonesia during Dutch Colonial and has been adapted to Indonesia's condition and show that it is appropriate to Indonesia.</p> <p>The Organization also planted <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The Organization has justification for using mucuna as cover crop and documented on a study report named "Kajian Dugaan Spesies <i>Mucuna bracteata</i> sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet" in 2018.</p> <p><i>Mucuna bracteata</i> is potentially classified as an invasive but based on direct experience, the Organization can control the spread of <i>Mucuna bracteata</i> by manually slash it using a machete and chemical. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February 2022.</p> <p>Based on interview with relevant staff, to control the spread of <i>Mucuna bracteata</i> and other invasive species like Acacia to outside rubber plantation, the organization conducted regular monitoring to area that has risk for the spread. For example, for plantation area that close to protected area. Monitoring plan and its realization were recorded on the spreadsheet for each estate. The spreadsheet includes management activities that need to be done to control the spread. The auditor found that based on the record, majority of planned management activities to control <i>Mucuna bracteata</i> in 2022 is not conducted yet while the report for 2021 is not available. Considering the plan is already set and the organization has a clear system to control the invasive impacts of alien species used, the auditor concluded to issue minor</p>	

CAR.	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The Organization shall ensure the implementation of invasive alien species consistently done across all estate.	
FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2022.08	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 10.12.1: Collection, clean up, transportation and disposal of all waste materials is done in an environmentally appropriate way that conserves environmental values as identified in Criterion 6.1 and applicable laws listed in Section 3.4 of Annex A.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation Observation from annual audit 2021: The Organization has established final organic waste disposal (landfill) in each estate. However, based on observations through video reviews, it was found that wastes piled up above the ground level. The waste piled up on one side with a height higher than ground level, while the other side is still empty. Since the FME has a dedicated landfill for organic waste disposal, it is in conformance with the standard. However, auditors observed that the waste should be redistributed to keep it below ground level and therefore not at risk of spilling out of the landfill. Finding annual audit 2022: The Organization has made revision to their waste management procedure that includes instruction to dump any organic domestic waste in the backyard. This is to reduce the waste volume in the land fill. The procedure also now clearly asks to increase the landfill size so that there will be no overcapacity issue in the future. The organization also clarify this during site visit that all Landfill visited are below the ground level and at some point, will be buried. However, during site visit to nursery in HKI 12 the auditor found significant pile of polybag plastic waste.	

<p>According to responsible staff, HKI 12 is just established with many planting activities. HKI 12 is one of the farthest estates from nearest public facilities such as road and hard to be accessed during rainy seasons. Thus, to find transporter to transport the polybag waste from site is difficult. The auditor acknowledges the challenge to transport the polybag waste and the organization has made effort by make a concentrate pile of this waste with fence so that it will not scatter around. It was also clearly observed that the waste just recently gathered and not piled for a long time. Based on above findings, the auditor concluded to upgrade and issue minor CAR.</p>	
<input checked="" type="checkbox"/> Non-Conformity Corrective Action Request <input type="checkbox"/> Observation; no Corrective Action is required The organization shall dispose the polybag waste in an environmentally appropriate way that conserves environmental values as identified in Criterion 6.1 and applicable laws listed in Section 3.4 of Annex A.	
FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2022.09	
Finding and Deadline	
<input type="checkbox"/> Major CAR: Pre-condition to certification/recertification <input type="checkbox"/> Major CAR: 3 months from Issuance of Final Report <input checked="" type="checkbox"/> Minor CAR: 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other and deadline (specify):	
FMU CAR/OBS issued to (when more than one FMU):	
Standard and Indicator	FSC-STD-IDN-02-2020 V2-1 EN The FSC National Forest Stewardship Standard of Indonesia. Indicator 10.12.2: The following measures are implemented and conditions provided within workshop areas: 1) Machine guarding; 2) Extraction of fumes; 3) Lighting; 4) Waste storage containers and facilities for off-site disposal or pits for fuel and other waste constructed above the water table with no runoff entering or exiting; 5) Safe area for solid waste disposal.
<input checked="" type="checkbox"/> Non-Conformity Evidence <input type="checkbox"/> Observation Justification and/or Explanation The auditor visited few estate camps during the audit including HKI 12, HKI1 and HKI 2. During camp visit, the auditors were able to observe several supporting facilities such as workshop, fuel storage, chemical storage, clinic, housing, generator house etc. Based on the observation, the auditor concluded that workshops and any storage with high risk of chemical contaminant were built semi outdoor or with sufficient ventilation for air circulation. The buildings also observed equipped with sufficient lights and interviewed workers also confirmed that they never perform unit maintenance in the evening (when the day start to dark).	

However, the auditor found that the organization doesn't have standardized construction for control pond for waste from fuel storage, workshop, and generator as several control pond or part of control pond was found without roof. So that there is a risk that runoff overloading the control pond and causing the contained waste to spill out of the control pond. Minor CAR issued.

☒ **Non-Conformity Corrective Action Request** ☐ **Observation; no Corrective Action is required**

The Organization shall improve their facilities related to Waste storage containers and facilities for off-site disposal or pits for fuel and other waste constructed above the water table with no runoff entering or exiting.

FME response
(including any
evidence submitted)

SCS review

Status of CAR:

- ☐ Closed
☐ Upgraded to Major
☐ Other decision (refer to description above)

Finding Number: 2022.10

Finding and Deadline

- ☐ **Major CAR:** Pre-condition to certification/recertification
☐ **Major CAR:** 3 months from Issuance of Final Report
☒ **Minor CAR:** 12 months or next regularly scheduled audit, whichever comes first (*surveillance or re-evaluation*)
☐ **Observation** – response is optional
☐ **Other** and deadline (specify):

FMU CAR/OBS issued to (when more than one FMU):

Standard and Indicator

FSC Trademark Standard (FSC-STD-50-001 V2-1)
 2.3. The FME shall ensure that all sales documents issued for outputs sold with FSC claims include the following information:
 a) name and contact details of the FME;
 b) information to identify the customer, such as their name and address;
 c) date when the document was issued;
 d) product name or description, including common and scientific species name(s);
 e) quantity of products sold;
 f) the FME's FSC Forest Management (FM/COC) or FSC Controlled Wood (CW/FM) code;
 g) clear indication of the FSC claim for each product item or the total products as follows:
 i. the claim "FSC 100%" for products from FSC 100% product groups; or
 ii. the claim "FSC Controlled Wood" for products from FSC Controlled Wood product groups.

☒ **Non-Conformity Evidence** ☐ **Observation Justification and/or Explanation**

The Organization has developed SOP Rubber P-SAG-HO-ABT-29 which regulates sales, transporter and invoice issuance. Based on interview with relevant staff mentioned that buyer is decided based on price.

The decision to select the buyer is decided through meeting between commercial director, Jakarta team and Kendawangan team. However, based on the SOP, buyer decision is only decided by commercial team (point 7.3.3).

The auditor also reviews few sampled invoices during audit and found that the product description is not correct. The product description written on the invoice was “Karet” or rubber instead of “Getah Karet” or rubber latex. The invoices also don’t include all requirement as required by indicators such as no FSC certificate code and species name in scientific. Sample invoices reviewed as below:

- 011/RUB/IV/HKI/1221 dated 27 December 2021
- 002/RUB/IV/HKI/0122 dated 18 January 2022
- 004/RUB/IV/HKI/0422 dated 19 April 2022
- 016/RUB/IV/HKI/0522 dated 28 May 2022
- 020/RUB/IV/HKI/0622 dated 17 June 2022
- 037/RUB/IV/HKI/0822 dated 20 August 2022

Based on above findings, the auditor concluded to issue minor CAR

☒ **Non-Conformity Corrective Action Request** ☐ **Observation; no Corrective Action is required**

The Organization shall consistently implement the procedure written and cover all information on the sales document as required by indicators.

FME response (including any evidence submitted)	
SCS review	
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

5. Stakeholder Comments

In accordance with SCS protocols, consultation with key stakeholders is an integral component of the evaluation process. Stakeholder consultation takes place prior to, concurrent with, and following field evaluations. Distinct purposes of such consultation include:

- To solicit input from affected parties as to the strengths and weaknesses of the FME’s management, relative to the standard, and the nature of the interaction between the FME and the surrounding communities.
- To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests (HCVFs).

Stakeholder consultation activities are organized to give participants the opportunity to provide comments according to general categories of interest based on the three FSC chambers, as well as the SCS Interim Standard, if one was used.

5.1 Stakeholder Groups Consulted

Principal stakeholder groups are identified based upon results from past evaluations, lists of stakeholders from the FME under evaluation, and additional stakeholder contacts from other sources. Stakeholder groups who are consulted as part of the evaluation include FME management and staff, consulting foresters, contractors, lease holders, adjacent property owners, local and regionally-based social interest and civic organizations, purchasers of logs harvested on FME forestlands, recreational user groups, tribal members and/or representatives, members of the FSC National Initiative, members of the regional FSC working group, FSC International, local and regionally-based environmental organizations and conservationists, and forest industry groups and organizations, as well as local, state, and federal regulatory agency personnel and other relevant groups.

5.2 Summary of Stakeholder Comments and Evaluation Team Responses

The table below summarizes the comments falling within scope of the standard received from stakeholders and the assessment team's response. Where a stakeholder comment has triggered a subsequent investigation during the evaluation, the corresponding follow-up action and conclusions from SCS are noted below.

<input type="checkbox"/> <i>FME has not received any stakeholder comments from interested parties (who are not members of the enterprise under evaluation) as a result of stakeholder outreach activities during this annual evaluation.</i>	
Summary of Outreach Activities Conducted (Check all that apply): <ul style="list-style-type: none"> <input type="checkbox"/> Face to face meetings <input type="checkbox"/> Phone calls <input type="checkbox"/> Email, or letter <input type="checkbox"/> Notice published in the national and/or local press <input type="checkbox"/> Notice published on relevant websites <input type="checkbox"/> Local radio announcements <input type="checkbox"/> Local customary notice boards <input type="checkbox"/> Social media broadcast 	
Stakeholder Comment (Negative, positive, and neutral)	SCS Response
<p>The presence of HKI companies has opened community access to neighboring villages with the help of village road construction. In the health sector, the community is assisted by the existence of health services at the estate clinic. HKI respects the culture of indigenous peoples, and conflicts with the community, in general, can be resolved by way of deliberations. CSR is planned and implemented with community participation. HKI</p>	<p>The positive comments from communities interviewed are in accordance with the documents provided by HKI for review by the auditor. It is also consistent with field findings on village road conditions, HCV 6 conditions, and CSR implementation.</p>

opens employment opportunities and businesses for the community. (positive)	
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6. Certification Decision

The certificate holder has demonstrated continued overall conformance to the applicable Forest Stewardship Council standards. The SCS annual evaluation team recommends that the certificate be sustained, subject to subsequent annual evaluations and the FME's response to any open CARs.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: None	

7. Annual Data Update

<input type="checkbox"/> No changes since previous evaluation.	
<input checked="" type="checkbox"/> Information in the following sections has changed since previous evaluation.	
<input type="checkbox"/> Name and Contact Information <input type="checkbox"/> FSC Sales Information <input checked="" type="checkbox"/> Scope of Certificate <input type="checkbox"/> Non-SLIMF FMUs <input type="checkbox"/> Social Information	<input type="checkbox"/> Pesticide and Other Chemical Use <input type="checkbox"/> Production Forests <input type="checkbox"/> FSC Product Classification <input type="checkbox"/> Conservation & High Conservation Value Areas <input type="checkbox"/> Areas Outside of the Scope of Certification

Name and Contact Information

Organization name	PT Hutan Ketapang Industri		
Contact person	James Simatupang		
Address	Sampoerna Strategic Square, North Tower, 28th Floor, Jl. Jend Sudirman, Kav 45, Jakarta – 12930 Indonesia	Telephone	+62 21 5771711
		Fax	+62 21 5771712
		e-mail	james.simatupang@SampoernaAgro.com
		Website	www.hki-indonesia.com

FSC Sales Information

<input checked="" type="checkbox"/> FSC Sales contact information same as above.
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Scope of Certificate

Certificate Type	<input checked="" type="checkbox"/> Single FMU	<input type="checkbox"/> Multiple FMU
	<input type="checkbox"/> Group	

SLIMF (if applicable)	<input type="checkbox"/> Small SLIMF certificate <input type="checkbox"/> Low intensity SLIMF certificate	
	<input type="checkbox"/> Group SLIMF certificate	
# Group Members (if applicable)	N/A	
Number of FMUs in scope of certificate	1	
Geographic location of non-SLIMF FMU(s)	<i>Latitude & Longitude:</i> <i>Kendawangan Block: 2°33 – 2°47 (longitude) and 110°32 – 110°49 (latitude)</i> <i>Air Hitam Block: 2°01 – 2°25 (longitude) and 110°13 – 110°32 (latitude)</i>	
Forest zone	<input type="checkbox"/> Boreal <input type="checkbox"/> Temperate <input type="checkbox"/> Subtropical <input checked="" type="checkbox"/> Tropical	
Area in scope of certificate which is:	Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac	
privately managed	93,230.28	
state managed		
community managed		
Total forest area in scope of certificate <i>(Is also equal to [productive area] + [conservation area])</i>	93,230.28	
Prior year total forest area in scope of certificate <i>(from prior year report)</i>	97,891.38	
Has Total forest area changed from prior year?	<input type="checkbox"/> No Change from prior year <input checked="" type="checkbox"/> Yes, there was a change from prior year. Explain change: <i>The change because previously the total area not yet excluded the excised area.</i>	
Number of FMUs in scope that are:		
less than 100 ha in area	-	100 - 1000 ha in area
1000 - 10 000 ha in area	-	more than 10 000 ha in area
		1
Total forest area in scope of certificate which is included in FMUs that:	Units: <input type="checkbox"/> ha or <input type="checkbox"/> ac	
are less than 100 ha in area	0	
are between 100 ha and 1000 ha in area	0	
meet the eligibility criteria as <i>low intensity</i> SLIMF FMUs	0	
Division of FMUs into manageable units:		
PT. Hutan Ketapang Industri (HKI) is comprised of 2 separate large Blocks, which are <i>Air Hitam</i> (Block II) with an area of 37,337 ha and <i>Kendawangan</i> (Block I) with an area of 60,554.38 ha with 4 hours of drive of the travel distance between them. From those 2 Blocks, it's divided into 10 estates where each estate comprised of 3,000 – 20,000 ha of land. Each estate is divided into divisions where each division comprised of 500-750 ha of land. Then each division is divided into blocks where each block comprised of 25 ha as the smallest unit managed by PT HKI.		

Non-SLIMF FMUs (Group or Multiple FMU Certificates)

Name	Contact information	Latitude/ longitude of Non-SLIMF FMUs	
NA	NA	NA	NA

Social Information

Number of forest workers (including contractors) working in forest within scope of certificate (differentiated by gender):		
Male workers: 1,577		Female workers: 484
Number of accidents in forest work since previous evaluation:	Serious: 4	Fatal: 0

Pesticide and Other Chemical Use

<input type="checkbox"/> N/A - FME has not used pesticides since last audit.				
Commercial name of pesticide / herbicide	Active ingredient	Quantity applied since previous evaluation (kg or lbs.)	Total area treated since previous evaluation (ha or ac)	Reason for use
Metsulindo	Methyl Metsulfuron	1,174	16,879 Ha	Weeding (broad leaves plant)
Prima Up/Supremo	Isopropil amina glifosat	35,767	16,879 Ha	Weeding (small leaves plant)
Garlon	Triklopir butoksi etil ester	4,714	8,440 Ha	Herbicide
TB 192	Kreosot 0,3%	2,171	3,933 Ha	Closing wound on plant
Becano	Indaziflam	11	550 Ha	Pre-growth herbicide
Anvil 50 SC	Heksakonazol	651	17 Ha	Root fungicide
Tenchu	dinotefuran	31	48.70 Ha	Termites pesticide
Agistik	Alkylaril Poliglikol Eter	657	17.26 Ha	Adhesive
Sintas	Formic acid	10,830	3,933 Ha	Latex clumping
Ethrel	Ehtepon 10%	735	3,822 Ha	Rubber plant stimulant
Gallant	Haloxifop-R-metil ester	158	100 Ha	Weeding (small leaves plant)
Simoksani	Cymoxanil	110	199,070 seedlings	Fungicide
Starane	Fluroksipir Metil Heptil Ester	1,149	2,539 Ha	Weeding (broad leaves plant)

Production Forests

Timber Forest Products	Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac
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Total area of production forest (i.e. forest from which timber may be harvested)	61,211,72 (Based on RKU of year 2017-2026)
Area of production forest classified as 'plantation'	61,211,72
Area of production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems	61,211,72
Area of production forest regenerated primarily by natural regeneration, or by a combination of natural regeneration and coppicing of the naturally regenerated stems	-
Silvicultural system(s)	Area under type of management
Even-aged management	-
Clearcut (clearcut size range:)	61,211,72
Shelterwood	-
Other:	-
Uneven-aged management	-
Individual tree selection	-
Group selection	-
Other:	-
<input type="checkbox"/> Other (e.g. nursery, recreation area, windbreak, bamboo, silvo-pastoral system, agro-forestry system, etc.)	-
Non-timber Forest Products (NTFPs)	
Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services	<p>Area managed primarily for the production of NTFP</p> <p>Based on the FME's 10-years management plan (RKU) for period of 2017-2026, about 61% of the total forest concession area will be plant of rubber tree with the purpose to extract the rubber latex:</p> <ul style="list-style-type: none"> - Air Hitam Block: 18,992.88 ha - Kendawangan Block: 42,218.84 ha
Other areas managed for NTFPs or services	
Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	2,825.68 Ton (RKT 2022)
Species in scope of joint FM/COC certificate: (Scientific / Latin Name and Common / Trade Name)	
Rubber (<i>Hevea brasiliensis</i>)	

FSC Product Classification*

Timber products		
Product Level 1	Product Level 2	Species

NA	NA	NA
Non-Timber Forest Products		
Product Level 1	Product Level 2	Product Level 3 and Species
N7 Natural gums, resins, oils and derivatives	N7.1 Rubber/ Latex	N7.1.1 Natural rubber <i>Hevea brasiliensis</i>

**Note: W1, W2, and W3 product groups usually do not require a separate evaluation to FSC-STD-40-004 (COC) if processing occurs in the field for FM/COC and CW/FM certificate types. N1-N10 (NTFPs) are eligible to be sold with FSC claims under FM/COC certification if reported here. Bamboo and NTFPs derived from trees (e.g. cork, resin, bark) may be eligible for FM/COC and CW/FM certification. NTFPs used for food and medicinal purposes are not eligible for CW/FM certification. Check with SCS if you have any products intended to be sold with an FSC claim outside of any of these categories.*

Conservation and High Conservation Value Areas

Conservation Area	Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac
Total amount of land in certified area protected from commercial harvesting of timber and managed primarily for conservation objectives (includes both forested and non-forested lands).*	17,094.45

**Note: Total conservation and HCV areas may differ since these may serve different functions in the FME's management system. Designation as HCV may allow for active management, including commercial harvest. Conservation areas are typically under passive management, but may undergo invasive species control, prescribed burns, non-commercial harvest, and other management activities intended to maintain or enhance their integrity. In all cases, figures are reported by the FME as it pertains local laws & regulations, management objectives, and FSC requirements.*

High Conservation Value Forest / Areas			Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac
Code	HCV Type	Description & Location	Area
HCV1	Forests or areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	<p>1.1 boundary with Tegar River Protected Forest in Kendawangan Block and Boundary with Muara Kendawangan Nature Reserve in Air Hitam Block</p> <p>1.2 Bukit Kediuk, Dry Land Forest, Heath Forest, Peat Swamp Forest, boundary with Tegar River Protected Forest in Kendawangan Block and Boundary with Muara Kendawangan Nature Reserve in Air Hitam Block</p> <p>1.3 Open wet land ecosystem, mix dipterocarp forest, riparian forest, peat swamp forest, heath forest in Kendawangan Block. Peat</p>	29,513.61

		Swam Forest, Boundary with Jelai River Protected Forest, around Bagan Cabe and Natai Tulang in Air Hitam Block	
HCV2	Forests or areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.	Not identified	-
HCV3	Forests or areas that are in or contain rare, threatened or endangered ecosystems.	Heath forest, peat swamp forest, riparian forest, open wetland ecosystem, mix dipterocarp in Kendawangan Block and Open wetland ecosystem in Air Hitam Block.	20,396.36
HCV4	Forests or areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).	4.1 Rivers and its buffer zones, including riparian forest, open wetlands ecosystem, heath forest and peat swamp forest. 4.2 Hills, riparian forest in Kendawangan Block and River Buffer Zone in Air Hitam Block 4.3 peat swamp forest, riparian forest, open wetlands, river and its buffer zones.	36,842.09
HCV5	Forests or areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).	Rivers and its buffer zones and areas around villages.	4,191.16
HCV6	Forests or areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).	Areas of cultural and religious significance identified in cooperation with local communities: old villages (kampung lama), cemeteries, and sacred sites in Kendawangan Block and Air Hitam Block.	18,852.15
Total area of forest classified as 'High Conservation Value Forest / Area'			46,772.35

Areas Outside of the Scope of Certification (Partial Certification and Excision)

<input type="checkbox"/> N/A – All forestland owned or managed by the certificate holder is included in the scope.		
<input type="checkbox"/> Certificate holder owns and/or manages other FMUs not under evaluation.		
<input checked="" type="checkbox"/> Certificate holder wishes to excise portions of the FMU(s) under evaluation from the scope of certification.		
Note: Excision cannot be applied to CW/FM certificates.		
Explanation for exclusion of FMUs and/or excision:	The excised areas are cultivation area and husbandry of community and road access of the local government. There were slightly change on the total area excised from the previous evaluation due to GIS calculation.	
Control measures to prevent mixing of certified and non-certified product (C8.3):	The Organization has developed the SOP for Forest Products (Latex) Administration and CoC (<i>Penatausahaan Hasil Hutan & CoC</i>). Based review on the SOP, the documentation accompanying certified latex includes information to track the origin estate, divisions, and harvest blocks, and the name of the tapper, so that it can be distinguished from non-certified latex.	
Description of FMUs excluded from, or forested area excised from, the scope of certification:		
Name of FMU or Stand	Location (city, state, country)	Size (<input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac)
Community palm oil plantation	Kendawangan Sub District, Ketapang District, West Kalimantan Province	3,837.8 (all in Kendawangan Block)
Settlement and agricultural land		727.2 (all in Kendawangan Block)
Community rubber plantation		96.1 (all in Kendawangan Block)

SECTION B – APPENDICES (CONFIDENTIAL)

Appendix 1 – List of FMUs Selected for Evaluation

- ☒ FME consists of a single FMU
☐ FME consists of multiple FMUs or is a Group

SCS staff establish the design and level of sampling prior to each group or multiple FMU evaluation according to FSC-STD-20-007. A list of the FMUs sampled and the rationale behind their selection is listed below.

FMU Name	FMU Size Category: - SLIMF - non-SLIMF - Large > 10,000 ha	Forest Type: - Plantation - Natural Forest	Rationale for Selection: - Random Sample - Stakeholder issue - Ease of access - Other (please describe)
NA	NA	NA	NA

Appendix 2 – Staff and Stakeholders Consulted

List of FME Staff Consulted

To protect privacy, only FME staff who have expressly provided written permission are listed. **These records are retained by SCS and subject to FSC or ASI examination.**

Name	Title	Contact Information	Consultation method
Pepep Permadi	Direktur Operasional	PT HKI	Public Meeting & Interview
Timbul Jansen Sinaga	GM Wil. I	PT HKI	Public Meeting & Interview
Budi Sukendra	GM Wil. II	PT HKI	Public Meeting & Interview
Yan O. Hutahaeen	GM Planning	PT HKI	Public Meeting & Interview
James Simatupang	SM EHS & Certification	PT HKI	Public Meeting & Interview
Oka Wisnu Radityo	SM. Ext Relation & Damkar	PT HKI	Public Meeting & Interview
Suhadi Tholib	CAS Manager	PT HKI	Public Meeting & Interview
Jadi Seni	Manager Traksi	PT HKI	Public Meeting & Interview
Dwi Tresna	Manager HRS	PT HKI	Public Meeting & Interview
Arif S.	QC Manager	PT HKI	Public Meeting & Interview
Rudi Irwansyah	Manager HKI 3	PT HKI	Public Meeting & Interview
Erizal	Manager HKI 1	PT HKI	Public Meeting & Interview
Sakti Sargi	Manager Traksi	PT HKI	Public Meeting & Interview
Asep Sugianto	Manager HKI 8	PT HKI	Public Meeting & Interview
Sunar Adi	Manager HKI 2	PT HKI	Public Meeting & Interview
Hastri Yunita	Assisten	PT HKI	Public Meeting & Interview

Sarwan	Manager HKI 5	PT HKI	Public Meeting & Interview
Japrianto	Asst. TK & CBR	PT HKI	Public Meeting & Interview
Ari Memo Sirait	KTU	PT HKI	Public Meeting & Interview
Dian Prasetya	ABT	PT HKI	Public Meeting & Interview
Abdul Haris Nasution	Askep HKI 6	PT HKI	Public Meeting & Interview
Reymon E. Purba	Staff HKI 4	PT HKI	Public Meeting & Interview
M. Ade Syahputra	Askep HKI 10	PT HKI	Public Meeting & Interview
Endra W.	Askep HKI 12	PT HKI	Public Meeting & Interview
Mardi Makmur	Askep R&D	PT HKI	Public Meeting & Interview
Hanafi	Asst. Planning	PT HKI	Public Meeting & Interview
Heru Kurniawan	Asst. OHS	PT HKI	Public Meeting & Interview
Hasan Basori	Asst. Social	PT HKI	Public Meeting & Interview
Muh. Musafah	Asst. Social	PT HKI	Public Meeting & Interview
Yafet Yusuf	Asst. GIS	PT HKI	Public Meeting & Interview
Feryza Syuhada	KTU HKI 4	PT HKI	Public Meeting & Interview
Munawar Khomaini	KTU HKI 1	PT HKI	Public Meeting & Interview
Ahmad	KTU HKI 6	PT HKI	Public Meeting & Interview
Rifqi Fadhillah	KTU HKI 9	PT HKI	Public Meeting & Interview
Lorensius Bintang	KTU HKI 8	PT HKI	Public Meeting & Interview
Forledis Lumban Gaol	Asst. PACP	PT HKI	Public Meeting & Interview
Hagi	Asst. WM	PT HKI	Public Meeting & Interview
Anung NM	Dokter	PT HKI	Public Meeting & Interview
Ary Rahmadani	Operasional KBS	PT HKI	Public Meeting & Interview
Hengki Feriansyah	Askep Planning	PT HKI	Public Meeting & Interview
Andre Ronaldo	Asst. Enviro	PT HKI	Public Meeting & Interview
FX Edy Harjono	Askep ICT	PT HKI	Public Meeting & Interview
Tri E. Setiyo	Askep TK & CSR	PT HKI	Public Meeting & Interview
Yadi Saputra	Askep EHS	PT HKI	Public Meeting & Interview
Taufik Darmawan	Asst. Damkar	PT HKI	Public Meeting & Interview
Timbul Hutabarat	Staff HR	PT HKI	Public Meeting & Interview
Widya Eko Prasojjo	Asst. Damkar	PT HKI	Public Meeting & Interview
Rudi Pardiansyah	PJ Askep GRIT	PT HKI	Public Meeting & Interview
Herman	Askep	PT HKI	Public Meeting & Interview
Mario S. Sigalingging	QC	PT HKI	Public Meeting & Interview
M. Ismail Sregar	CE	PT HKI	Public Meeting & Interview
Fitrianto Nugroho	TC Officer	PT HKI	Public Meeting & Interview
Amos J. Purba	Nursery staff	PT HKI	Public Meeting & Interview
Slamet Sri	Damkar	PT HKI	Public Meeting & Interview
Nasrul H.	PACP	PT HKI	Public Meeting & Interview
Harifin	Damkar HKI 2	PT HKI	Interview
Supian	Driver Truck Damkar	PT HKI	Interview
Kancang	Danru Damkar	PT HKI	Interview
Wiwik Anggraini	Admin Damkar	PT HKI	Interview
Kristina Siregar	Bidan HKI 2	PT HKI	Interview
Adelina N	Bidan HKI 12	PT HKI	Interview
Desi Mayasari	Admin Traksi	PT HKI	Interview

Mayang sari	Admin Personalia	PT HKI	Interview
Sri Maryati	Admin Divisi	PT HKI	Interview
Thomas Munurung	Operator Mesin	PT HKI	Interview
Hasan Basri	Operator Genset	PT HKI	Interview
Jusup	Tukang Kebun	PT HKI	Interview
Nanda	Mandor Planning	PT HKI	Interview
Yogi	Planning	PT HKI	Interview
Lindung	Sprayer – HKI-12	PT HKI	Interview
Sprayer	Sprayer – HKI-12	PT HKI	Interview
Wahdah	Sprayer – HKI-12	PT HKI	Interview
Heri Setiawan	Sprayer – HKI-12	PT HKI	Interview
Heri Maspoguran	Sprayer – HKI-12	PT HKI	Interview
Asep	Wedding	PT HKI	Interview
Herwani	Wedding	PT HKI	Interview
Asrul	Wedding	PT HKI	Interview
Masuri	Wedding	PT HKI	Interview
Ratni	Wedding	PT HKI	Interview
Fransiska Ugha	Wedding	PT HKI	Interview
Rika	Wedding	PT HKI	Interview
Moji	Planting	PT HKI	Interview
P. Pri	Planting	PT HKI	Interview
B. Pri	Planting	PT HKI	Interview
Juhari	Planting	PT HKI	Interview
Wawan Kurniawan	Warehouse Admin	PT HKI	Interview
Nado	Fertilizer Worker	PT HKI	Interview
Rina	Fertilizer Worker	PT HKI	Interview
Budi Alamsyah	Spraying Supervisor	PT HKI	Interview
Harmoko	Spraying Supervisor	PT HKI	Interview
Munandar	Staff	PT HKI	Interview
Wahyudi Sahendra	Nursery Assistant	PT HKI	Interview

List of other Stakeholders Consulted*

To protect privacy, only stakeholders who have expressly provided written permission are listed. **These records are retained by SCS and subject to FSC or ASI examination.**

Name	Title	Contact Information	Consultation method	Requests Stakeholder Notification? (Y/N)
Yani	Head of RT 06	Hantak hamlet, Air Hitam Hulu Village	Interview	N
Sirian	Head of RT 07 Hantak	Hantak hamlet, Air Hitam Hulu Village	Interview	N
Mudin	villager	Hantak hamlet, Air Hitam Hulu Village	Interview	N

Mangim	villager	Hantak hamlet, Air Hitam Hulu Village	Interview	N
Gergorius Anggai	Demung Adat	Tangir Jaya hamlet, Pangkalan Batu village	Interview	N
Lambertus Risa	Head of Hamlet	Tangir Jaya hamlet, Pangkalan Batu village	Interview	N
Goal Berto Anda	Demung Adat	Aur Kuning hamlet, Pangkalan Batu village	Interview	N

** Note: SCS may maintain additional records of stakeholder consultation activities (e.g., email notifications) in its recordkeeping system. Anonymous stakeholders may have provided comments as a part of stakeholder outreach activities, such communications are retained by SCS subject to FSC and ASI examination.*

Appendix 3 – Additional Evaluation Techniques Employed

☒ None.

☐ Additional techniques employed (*describe*):

Appendix 4 – Required Tracking

Pesticide Derogations

☒ There are no active pesticide derogations for this FME.

Name of pesticide / herbicide (active ingredient)		Date derogation approved
Condition		Evidence of progress
	Conformance (C / NC)	

Progressive HCVF Assessments

☒ FME does not use partial or progressive HCVF assessments.*

**Note: In the case the FME is not operating in the entire management unit, it is permissible to only complete an HCVF assessment for the portion of the unit in which they are operating under special conditions. In such cases, the HCVF assessment must be extended if new areas are entered without an existing, appropriate HCVF assessment having been completed. An example includes a large forest concession where harvesting is initially limited to a smaller geographic scope.*

Partial or progressive HCV must be noted in SCS tracking system for monitoring. Describe below the FME monitoring plan to ensure additional HCVF assessments are completed as necessary:

--

Special Instructions or Scoping Notes for Next Regularly Scheduled Annual Audit

<input checked="" type="checkbox"/>	Not applicable; no significant issues identified that may impact the next audit.
Some issues were identified during this audit that the next audit team could consider in the next audit, such as:	
<input type="checkbox"/>	Scope of certificate:
<input type="checkbox"/>	Audit sampling:
<input type="checkbox"/>	Audit time:
<input type="checkbox"/>	Audit season:
<input type="checkbox"/>	Travel time between sites or FMUs:
<input type="checkbox"/>	Audit frequency:
<input type="checkbox"/>	Suggested audit team competency for next audit:
<input type="checkbox"/>	Suggested requirements to include during the next audit:
<input type="checkbox"/>	Suggested issues investigate during the next audit:
<input type="checkbox"/>	Suggested sites for inspection:
<input type="checkbox"/>	Stakeholders to be consulted:
<input type="checkbox"/>	Other(s) – please describe:

**Note: information audit team leaders wish to remain confidential may be communicated directly to SCS.*

Appendix 5 – Forest Management Standard Conformance Table

Criteria required by FSC at every surveillance evaluation (<i>check all situations that apply</i>)	<input type="checkbox"/> NA – all FMUs are exempt from these requirements. <input checked="" type="checkbox"/> Plantations > 10 000 ha: Criteria 1.6; 2.3; 4.4; 4.5; 7.6; 10.2; 10.3; 10.6; 10.7 and 10.12. <input type="checkbox"/> Natural forests >50,000 hectares (123,553 ac) ('low intensity' SLIMFs exempt): Criteria 1.4; 1.6; 2.3; 3.2; 3.4; 4.4; 4.5; 5.2; 6.4; 6.6; 7.6; 8.2 and 9.4. <input checked="" type="checkbox"/> FMUs containing High Conservation Values ('small forest' SLIMFs exempt): Criteria 6.4; 6.6; 9.4 and 10.3
	Documents and records reviewed for FMUs/sites sampled <input checked="" type="checkbox"/> All applicable documents and records as required in section 7 of audit plan were reviewed; or <input type="checkbox"/> The following documents and records as required in section 7 of the audit plan were NOT reviewed (<i>provide explanation</i>):

Requirements Reviewed in Annual Evaluation

Evaluation Year	Requirements Reviewed (FSC P&C Reviewed, FM/COC Indicators, Trademark Indicators, Group Standard Indicators, etc.)
2019	All – (Re)certification Evaluation
2020	P1, P2, 2.3, 4.2, 4.4, 6.2, 6.3, 6.7, 6.9 and 9.410.6, 10.7, and 10.8 and Trademark Standard
2021	1.6, 2.3, P4, P6, 7.6, 9.4, 10.2, 10.3, 10.6, 10.7, 10.8 and Trademark Standard
2022	P3, P8, P10, 1.6, 2.3, 4.4, 4.5, 6.4, 6.6, 7.6, 9.4, 10.2, 10.3, 10.6, 10.7, 10.12, CoC and Trademark
2023	

C= Conformance with Criterion or Indicator

NC= Nonconformance with Criterion or Indicator

NA = Not Applicable

NE = Not Evaluated

REQUIREMENT	C / N C	COMMENT/CAR
PRINCIPLE 1: COMPLIANCE WITH LAWS		
The Organization* shall* comply with all applicable laws*, regulations and nationally ratified* international treaties, conventions and agreements.		
PRINSIP 1: KEPATUHAN TERHADAP HUKUM		
Organisasi* harus* tunduk kepada semua hukum yang berlaku*, peraturan serta kesepakatan, konvensi dan perjanjian internasional yang telah diratifikasi pemerintah*.		
C1.1. Not Evaluated in this Evaluation		
C1.2. Not Evaluated in this Evaluation		
C1.3. Not Evaluated in this Evaluation		
1.3.6(L): The Organization* ensures that the requirements of 1.3.3 - 1.3.4 are also met by contractors with legal registration.	NC	See NC 2022.01
C1.4. Not Evaluated in this Evaluation		
C1.5. Not Evaluated in this Evaluation		
C1.6. The Organization* shall* identify, prevent and resolve disputes* over issues of statutory or customary law*, which can be settled out of court in a timely manner*, through engagement with affected stakeholders*.	C/N C	
K1.6. Organisasi* harus* mengidentifikasi, mencegah, dan menyelesaikan perselisihan* atas masalah-masalah perundang-undangan atau hukum adat*, yang dapat diselesaikan di luar pengadilan secara tepat waktu*, dengan melibatkan para pemangku kepentingan yang terdampak*.		
1.6.1: A publicly available* dispute* resolution process over issues of statutory or customary law* is in place,	C	Available in the organization website: http://www.hki-indonesia.com/ten/photo-

<p>developed through culturally appropriate* engagement* with affected stakeholders*.</p> <p><i>1.6.1: Proses penyelesaian perselisihan* atas masalah-masalah perundangundangan atau hukum adat tersedia untuk umum*; dikembangkan melalui pelibatan* yang sesuai dengan budaya* dengan para pemangku kepentingan yang terdampak*.</i></p>		<p>article/Prosedur%20Resolution%20Konflik.pdf.</p>
<p>1.6.2: Disputes* related to issues of applicable laws* or customary law* that can be settled out of court are responded to in a timely manner*, and are either resolved or are in the dispute* resolution process.</p> <p><i>1.6.2: Perselisihan* yang berkaitan dengan hukum yang berlaku* atau hukum adat* yang dapat diselesaikan di luar pengadilan ditanggapi tepat waktu*, dan telah diselesaikan atau dalam proses penyelesaian perselisihan*</i></p>	C	<p>The organization has developed a conflict resolution procedure -<i>SOP Resolusi Konflik</i> no. P-HKI-PNR-SOC-08, July 31, 2018. This procedure is set up a conflict resolution mechanism if it occurs in the company's work area. The SOP describes the flow of processes that must be followed in resolving disputes of the community's claim, acts of violence, and violations by the company.</p> <p>SOP is socialized to village communities around the forest and company employees. SOP socialization is carried out by the Organization to the villager along with the implementation of the annual RKT socialization. This socialization forum is part of the community's involvement in the development of the process. There is two-way communication for procedure improvements when needed. Socialization is carried out in every village in the Organization's work area. The SOP for conflict resolution can be obtained through the company's website http://www.hki-indonesia.com/ten/photo-article/Prosedur%20Resolution%20Konflik.pdf.</p> <p>Based on interviews with community representatives, company staff, and a review of conflict resolution documents, it was confirmed that there was the involvement of conflicting communities and mediators when necessary, such as village government officials and village customary heads. There is a dispute resolution process document that has been reviewed by the auditor.</p>
<p>1.6.3: Up to date records of disputes related to issues of applicable laws* or customary law*, are held including:</p> <ol style="list-style-type: none"> 1) Steps taken to resolve disputes*; 2) Outcomes of all dispute* resolution processes; and 3) Unresolved disputes*, the reasons they are not resolved, and how they will be resolved. <p><i>1.6.3: Catatan terkini atas perselisihan terkait hukum yang berlaku* atau hukum adat *, disimpan, termasuk:</i></p>	C	<p>See CAR 2022.02</p>

<p>1) Langkah-langkah yang diambil untuk menyelesaikan perselisihan*; 2) Hasil akhir dari semua proses penyelesaian perselisihan*; dan 3) Perselisihan* yang belum terselesaikan, alasan belum diselesaikan, dan bagaimana akan diselesaikan.</p>		
<p>1.6.4: Operations cease in areas where disputes* exist: 1) Of substantial magnitude*; or 2) Of substantial duration*; or 3) Involving a significant* number of interests.</p> <p>1.6.4: Operasi akan dihentikan di area-area di mana terdapat perselisihan*: 1) dengan besaran substansial*; atau 2) dengan durasi substansial*; atau 3) yang melibatkan sejumlah kepentingan yang signifikan*.</p>	C	<p>The organization has a conflict resolution procedure: P-HKI-PNR-SOC-08 revision 1, April 1, 2022. This procedure is to regulate a conflict resolution mechanism if it occurs in the work area which guarantees that the conflict resolution mechanism is carried out in accordance with applicable rules and regulations. Conflict resolution procedures consist of initial and verification phase conflict resolution mechanisms and company violation resolution mechanisms. As stated in section 7.3 point 8, procedures regulate the termination of operational activities if an agreement between the company and the conflicting stakeholder at the conflict resolution stage has not been reached.</p> <p>Based on interviews with the community and company staff, the entire working area of the company is land cultivated by the community. To be able to manage the land, the company must free it from the community's cultivation. Land acquisition is carried out by deliberation between the two parties. The release of land is marked by the existence of an official report and the provision of compensation called the "Tali Asih". As long as the land has not been released by the community, the company does not carry out operations on the land. The organization has measured and mapped land that is still being cultivated by the community.</p>
<p>1.6.5: The boundaries of customary forest* area already designated by relevant authorities and overlapping with Management Unit*, are clearly marked or documented and shown on maps.</p> <p>1.6.5: Batas-batas kawasan hutan adat* yang telah ditetapkan oleh Lembaga berwenang terkait dan tumpang tindih dengan Unit Manajemen*, ditandai dengan jelas atau didokumentasikan dan ditunjukkan pada peta.</p>	C	<p>The organization has a conflict resolution procedure: P-HKI-PNR-SOC-08 revision 1, April 1, 2022. This procedure is to regulate a conflict resolution mechanism if it occurs in the work area which guarantees that the conflict resolution mechanism is carried out in accordance with applicable rules and regulations. Conflict resolution procedures consist of initial and verification phase conflict resolution mechanisms and company violation resolution mechanisms. As stated in section 7.3 point 8, procedures regulate the termination of operational activities if an agreement between the company and the</p>

		<p>conflicting stakeholder at the conflict resolution stage has not been reached. Based on interviews with the community and company staff, the entire working area of the company is land cultivated by the community. To be able to manage the land, the company must free it from the community's cultivation. Land acquisition is carried out by deliberation between the two parties. The release of land is marked by the existence of an official report and the provision of compensation called the "Tali Asih". As long as the land has not been released by the community, the company does not carry out operations on the land. The organization has measured and mapped land that is still being cultivated by the community.</p>
<p>1.6.6: The customary forest* area mentioned in Indicator 1.6.5 is excised from the Management Unit* or is in the process of excision.</p> <p><i>1.6.6: Kawasan hutan adat* yang disebutkan dalam Indikator 1.6.5 dikeluarkan atau sedang dalam proses pengeluaran dari Unit Manajemen*</i></p>	C	<p>Based on the map attached to the Decree of the Minister of Forestry Number SK.663/Menhut-II/2011, there is no customary forest area in the concession. Based on interviews with the community, it can also be confirmed that there is no customary forest in the concession. The people of Hantak hamlet own customary land even though it is not legalized by the local government through regional regulations. They stated that they had no difficulty in utilizing customary forests, for example, taking forest products that were used for the benefit of the community. They also stated that the condition of the forest was well preserved. The company recognizes and protects the existence of customary forests. The organization has identified areas of high value for meeting the basic needs of the community (HCV 5) and the cultural identity of local traditional communities (HCV 6). The organization has marked and mapped HCV 5 and HCV 6. Documents on the results of the HCV assessment and maps are available and can be reviewed by the auditor.</p>
C1.7. Not Evaluated in this Evaluation		
C1.8. Not Evaluated in this Evaluation		
<p>PRINCIPLE 2: WORKERS* RIGHTS AND EMPLOYMENT CONDITIONS The Organization* shall* maintain or enhance the social and economic wellbeing of workers*.</p> <p>PRINSIP 2: HAK PEKERJA* DAN KONDISI KERJA Organisasi* harus* memelihara atau meningkatkan kesejahteraan sosial dan ekonomi pekerja*.</p>		
C2.1. Not Evaluated in this Evaluation		
C2.2. Not Evaluated in this Evaluation		
C2.3. The Organization* shall* implement health and safety practices to protect workers* from occupational	C/N C	

<p>safety and health hazards. These practices shall*, proportionate to scale, intensity and risk* of management activities, meet or exceed the recommendations of the ILO Code of Practice on Safety and Health in Forestry Work.</p> <p>K.2.3. Organisasi* harus* melaksanakan praktik keselamatan dan Kesehatan untuk melindungi pekerja* dari bahaya keselamatan dan kesehatan kerja. Praktik-praktik ini harus*, sebanding dengan skala, intensitas dan risiko* kegiatan pengelolaan, memenuhi atau melampaui rekomendasi dari Panduan Praktik ILO tentang Keselamatan dan Kesehatan Kerja di Kehutanan.</p>		
<p>2.3.1: Health and safety practices are developed and implemented that meet or exceed national law and ILO Code of Practice on Safety and Health in Forestry Work. This includes planning, organization and operational control.</p> <p>Note: National law on this indicator is Government Regulation No. 50 year 2012 on health & safety management system.</p> <p>Note: The scope of this Indicator also includes NTFPs.</p> <p><i>2.3.1: Praktik-praktik keselamatan dan kesehatan kerja dikembangkan dan diterapkan memenuhi atau melampaui hukum nasional dan Panduan Praktik ILO tentang keselamatan dan kesehatan kerja di kehutanan. Termasuk perencanaan, pengorganisasian dan pengendalian operasional.</i></p> <p><i>Catatan: hukum nasional dalam indikator ini adalah Peraturan Pemerintah No. 50 tahun 2012 tentang Sistem Manajemen Keselamatan dan Kesehatan.</i></p> <p><i>Catatan: Lingkup indikator ini termasuk juga untuk HHBK</i></p>	C	<p>Based on document review and worker interviews, the auditor verified that the Organization has made several activities to comply with national minimum requirements related to health and safety and has taken into account the safety and health requirement in planning, organization and supervision of its operations. The Health and Safety program including:</p> <ul style="list-style-type: none"> - Development of Occupational Health and Safety Policy (issued by FME CEO on 12 January 2018) that stated the commitment of the company to provide its workers, including visitors and contractor workers, with healthy and safe working environment. - The Organization has formed P2K3 (Health & Safety Committee) that legally is approved based on Decree of Manpower Office Head of West Kalimantan Province No. 142/NAKERTRAN.P2K3/2022. The P2K3 responsible to develop planning, supervise and evaluate the health and safety program implementation periodically. Meeting of P2K3 members is conducted every three months. - Develop integrated Health and Safety aspects evaluation called Balance Score Card which consisted of 11 KPI index. The result of the evaluation is contested monthly among all HKI estates. - Develop SOP of First Aid in Work Accident, SOP of Work Accident Investigation, SOP of OHS and Environment Inspection, SOP of Personal Protective Equipment (PPE) and SOP of Identification of OHS and Environment Aspects.

		<ul style="list-style-type: none"> - Provides PPE for all workers, including contractor workers, regularly based on the PPE type and Hazard Identification and Risk Assessment (HIRA) results. The Organization prohibits the workers from working without using PPE as stated in the CEO Memorandum No. 015/SAHO/RUB/11/20 dated on 23 November 2020. The SOP of PPE also describe the sanction for the PPE use violation by the workers. - The Organization has developed Hazard Identification and Risk Assessment (HIRA) for any type of work and location in the Organization's operations. The HIRA cover all activity within the organization such as plantation establishment, building construction and environment monitoring. - Provision of first aid kits and fire extinguishers in each building in the camps and field worker supervisor. - The organization has 2 general Health and Safety expert (Ahli K3 umum) certified. The license also available but one is still on the process. - Maintaining the records of the working accidents and documenting the working accident analysis in order to avoid the reoccurrence of the accidents based on SOP P-HKI-PNR-OHS-06 - Providing the medical clinic in each estate with the medical doctor and paramedics to ensure the availability of free health services for the workers and their families. - Workers have been registered to have health and social insurance (<i>BPJS Kesehatan dan Ketenagakerjaan</i>).
2.3.2: Workers* are provided with personal protective equipment appropriate to their assigned tasks by The Organization*.	NC	See NC 2022.03.
2.3.2: <i>Para pekerja* diberikan perlengkapan pelindung diri yang sesuai dengan tugas yang diberikan oleh Organisasi*.</i>		
2.3.3: Use of personal protective equipment is enforced.	C	The Organization prohibits the workers from working without using PPE as stated in the CEO Memorandum No. 015/SAHO/RUB/11/20 dated on 23 November 2020. The SOP of PPE also describe the sanction for the PPE use violation by the workers.
2.3.3: <i>Penggunaan alat pelindung diri diwajibkan.</i>		

		<p>To address the previous gap of this indicator, the organization has made a memo to all workers with 001/SAHO/RUB/01/22 regarding safety briefing. The memo stipulated that all activity shall be started with safety briefing and specifically for morning briefing, supervisor shall check PPE by using PPE checklist. The checklist then shall be gathered to OHS department monthly. The memo also clearly said those who do not wear PPE as specified shall not continue their work. PPE procedure also revised to accommodate this change.</p> <p>In the bigger aspect, the organization has a systematic Health and Safety evaluation called BSC (balance score card). The BSC evaluates H&S aspects which consisted of 11 KPI index with one of those is regarding PPE inspection. PPE inspection aspect performance record were reviewed during the audit. This BSC result is contested monthly across HKI estates. Onsite observation confirmed that workers have sufficient awareness to wear PPE in accordance to their area of work.</p>
<p>2.3.4: Records are kept on health and safety practices including accident rates and lost time to accidents.</p> <p>2.3.4: Catatan tentang praktik keselamatan dan kesehatan disimpan termasuk tingkat kecelakaan dan waktu yang hilang karena kecelakaan.</p>	C	<p>The Organization has developed Work Accident Investigation Procedure (P-HKI-PNR-OHS-06). The organization has a summary record for every work-related accident on their database. During the audit, the auditor reviews the summary in 2021 and 2022 and select a sample for the detail investigation.</p> <p>The accident record includes 1) incident time (day, date and time), 2) incident location, 3) casualty identity and incident category (non-major, first aid injury, medical aid injury, lost time injury, fatality) and lost workdays, 4) description of the incident, mitigation, first aid and advanced handling given to the worker.</p> <p>The organization also records the evaluation of the accident to prevent recurrence of the work accident in the Form of Monitoring the Program of Incident Prevention/Correction (<i>Form Monitoring Program Perbaikan/Pencegahan Insiden</i>). The Form include incident register, date, casualty name and department, incident type, incident category, correction/prevention measures to be taken, date of completion, PIC and completion status of the program.</p>

<p>2.3.5(L): The Organization* has a zero-accident policy and demonstrates that the measures are being effective.</p> <p>2.3.5(L): Organisasi* memiliki kebijakan nihil kecelakaan dan menunjukkan bahwa tindakan-tindakan tersebut efektif.</p>	C	<p>The Organization has a zero-accident policy included in its Occupational Health and Safety Policy (issued by the CEO on 12 January 2018) and in the Sustainable Forest Management Policy (issued by FME CEO on 02 September 2021).</p> <p>In addition, the organization has several activities implemented to support the written policy. The activities includes:</p> <ul style="list-style-type: none"> - The Organization has formed P2K3 (Health & Safety Committee) that legally is approved based on Decree of Manpower Office Head of West Kalimantan Province No. 142/NAKERTRAN.P2K3/2022. The P2K3 responsible to develop planning, supervise and evaluate the health and safety program implementation periodically. Meeting of P2K3 members is conducted every three months. - Develop integrated Health and Safety aspects evaluation called Balance Score Card which consisted of 11 KPI index. The result of the evaluation is contested monthly among all HKI estates. - Develop SOP of First Aid in Work Accident, SOP of Work Accident Investigation, SOP of OHS and Environment Inspection, SOP of Personal Protective Equipment (PPE) and SOP of Identification of OHS and Environment Aspects. - Provides PPE for all workers, including contractor workers, regularly based on the PPE type and Hazard Identification and Risk Assessment (HIRA) results. The Organization prohibits the workers from working without using PPE as stated in the CEO Memorandum No. 015/SAHO/RUB/11/20 dated on 23 November 2020. The SOP of PPE also describe the sanction for the PPE use violation by the workers. - The Organization has developed Hazard Identification and Risk Assessment (HIRA) for any type of work and location in the Organization's operations. The HIRA cover all activity within the organization such as plantation establishment, building construction and environment monitoring. - Provision of first aid kits and fire extinguishers in each building in the camps and field worker supervisor.
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		<ul style="list-style-type: none"> - The organization has 2 general Health and Safety expert (Ahli K3 umum) certified. The license also available but one is still on the process. - The organization has now a system that during morning briefing, the supervisor needs to complete a PPE checklist for workers to ensure the supervision on the field. <p>During the audit, the auditor found 25 accidents in the last 12 months on the record which considered as lost time injury. Meaning that after the accident, the victim either cannot continue the work during that day or take time to rest. Lost time injury here doesn't necessarily serious and can be very minor accident such as knife wound, sting bee and eye irritation. Based on the review, the auditor found that there are 4 accidents considered as serious given the lost time injury is more than 2 days. Sample investigations were reviewed and confirmed that the organization has sufficiently addressed the accident according to their procedure.</p>
<p>2.3.6(L): The health and safety planning and its implementation are reviewed and revised on a regular basis and after major incidents or accidents.</p> <p><i>2.3.6(L): Perencanaan dan pelaksanaan keselamatan dan kesehatan kerja ditinjau dan diperbaiki secara berkala dan setelah terjadi kecelakaan dan insiden besar.</i></p>	C	<p>The Organization regularly review and evaluate its health and safety planning and implementation through the following activities:</p> <ol style="list-style-type: none"> 1. Internal OHS audit annually (SMK3 Internal audit 01/AUDITSMK3/INT-HKI/XII/2021) 2. External audit for OHS Management System (SMK3) for every four years. 3. Health, Safety and Environment (HSE) inspection of workplace for every two months 4. P2K3 monthly meetings that involve all Estate Manager, Department Heads and Head Office management to evaluate the implementation of P2K3 plan and program. 5. FME evaluates each work accident/incident and monitors the program for prevention and correction to be carried out to prevent the recurrence of the accident and document it in the Form of Monitoring the Program of Incident Prevention/Correction (<i>Form Monitoring Program Perbaikan/Pencegahan Insiden</i>).

		In addition, the organization has a systematic Health and Safety evaluation called BSC (balance score card). The BSC evaluates H&S aspects which consisted of 11 KPI index with one of those is regarding PPE inspection. PPE inspection aspect performance record were reviewed during the audit. This BSC result is contested monthly across HKI estates.
<p>2.3.7: The Organization* has a system in place to establish, implement and maintain a procedure(s) to:</p> <p>1) identify the potential for emergency situation; 2) respond to such emergency situation.</p> <p>2.3.7: Organisasi* memiliki sistem di tempat kerja untuk membuat, menerapkan dan memelihara prosedur untuk:</p> <p>1) mengidentifikasi potensi terjadinya situasi darurat; 2) menanggapi situasi darurat tersebut</p>	C	<p>As in the previous audit, the Organization has developed SOP of Accident Emergency Response (No. P-HKI-PNR-OHS-11) that describe the procedures for handling emergency of work accident. The Organization also developed SOP of First Aid in Work Accident (No. P-HKI-PNR-OHS-012) as guidance in conducting first aid in the work accident before given follow up medical treatment. The OHS Assistant or Manager will coordinate with Estate Clinic doctor or paramedics in handling the emergency procedure of the work accident.</p> <p>The Organization has conducted socialization/training and simulations in case of emergency to the workers periodically. Auditors reviewed the activity report of :</p> <ol style="list-style-type: none"> 1. Emergency Simulations for workers in HKI-2 Estate on 25 February 2022 2. Socialization and simulation on emergency, eye irritation for tapper workers in HKI-2 division 1 on 25 February 2022 3. Awareness and simulation on land and forest fire on 1 September 2022 in HKI 1
<p>2.3.8(L): The Organization* establishes, implements and maintains a procedure(s) to record, investigate and analyse incidents in order to:</p> <p>1) determine underlying deficiencies and other factors that might be causing or contributing to the occurrence of incidents; 2) identify the need for corrective action; 3) identify opportunities for preventive action; 4) identify opportunities for continual improvement; 5) communicate the results of such investigations; 6) document the investigation result.</p> <p>2.3.8(L): Organisasi* membuat, menerapkan dan memelihara prosedur untuk mencatat, menyelidiki dan menganalisis kejadian kecelakaan untuk:</p> <p>1) menentukan kelemahan-kelemahan yang mendasari dan faktor-faktor lainnya yang mungkin menyebabkan atau berkontribusi terhadap kejadian kecelakaan; 2) mengidentifikasi kebutuhan untuk tindakan perbaikan;</p>	C	<p>The Organization has developed procedures to records, handling and investigates the work accidents, documented in the SOP of First Aid in Work Accident (No. P-HKI-PNR-OHS-012), SOP of Accident Emergency Response (No. P-HKI-PNR-OHS-11) and SOP of Work Accident Investigation (No. P-HKI-PNR-OHS-06).</p> <p>During the audit, the auditor reviews the summary in 2021 and 2022 and select a sample for the detail investigation.</p> <p>The accident record includes 1) incident time (day, date and time), 2) incident location, 3) casualty identity and incident category (non-major, first aid injury, medical aid injury, lost time injury, fatality) and lost workdays, 4) description of the incident, mitigation, first aid and advanced handling given to the worker.</p>

<p>3) mengidentifikasi peluang untuk tindakan pencegahan; 4) mengidentifikasi peluang untuk melakukan perbaikan terus-menerus; 5) mengkomunikasikan hasil investigasi tersebut; 6) mendokumentasikan hasil investigasi</p>	<p>The organization also records the evaluation of the accident to prevent recurrence of the work accident in the Form of Monitoring the Program of Incident Prevention/Correction (<i>Form Monitoring Program Perbaikan/Pencegahan Insiden</i>). The Form include incident register, date, casualty name and department, incident type, incident category, correction/prevention measures to be taken, date of completion, PIC and completion status of the program.</p> <p>The Organization also has the Form of Monitoring the Program of Incident Prevention/Correction (<i>Form Monitoring Program Perbaikan/Pencegahan Insiden</i>) that describe the evaluation/review of the incident and analysis of the cause of the incident and the recommendation/suggestion for corrective action for preventing the recurrence of the incident. The Form include incident register, date, casualty name and department, incident type, incident category, correction/prevention measures to be taken, date of completion, PIC and completion status of the program as part of the monitoring process of the corrective action to be taken.</p> <p>During the audit, the auditor found 25 accidents in the last 12 months on the record which considered as lost time injury. Meaning that after the accident, the victim either cannot continue the work during that day or take time to rest. Lost time injury here doesn't necessarily serious and can be very minor accident such as knife wound, sting bee and eye irritation. Based on the review, the auditor found that there are 4 accidents considered as serious given the lost time injury is more than 2 days. Sample investigations were reviewed and confirmed that the organization has sufficiently addressed the accident according to their procedure.</p>
<p>2.3.9(L): If workers* stay in camp, The Organization* ensures the requirements on Annex B2 are met.</p> <p>2.3.9(L): Jika pekerja* tinggal di kamp, Organisasi memastikan persyaratanpersyaratan di Lampiran B2 terpenuhi.</p>	<p>C</p> <p>Based on documents review, interview with workers and observation of workers housing in the camp during onsite visit, it was found that the Organization provides housing for all workers within the concession areas in the base camp of each Estate. Each worker</p>

		<p>quarters consists of living room, bedroom, kitchen and bathroom.</p> <p>To standardize the camp for workers in each Estate, the Organization has developed the SOP of Camp Construction and Management (No. P-HKI-PNR-OHS-10).</p> <p>The Organization has provided staffs and workers with furniture and free electricity and water (for bathing and clothing) for 24 hours. The Organization also provides medical clinic and religious facilities for the workers in each Estate camp.</p> <p>For safety reason, each camp equipped with fire extinguishers and first aid kits that inspected every month. Map of evacuation route and assembly point are also provided. Inspection of HSE aspect in the camp is conducted every two months.</p> <p>The Organization also has conducted Logging Camp Risk Assessment by using template from SCS and showing that the requirements on Annex B2 are met.</p>
C2.4. Not Evaluated in this Evaluation		
C2.5. Not Evaluated in this Evaluation		
C2.6. Not Evaluated in this Evaluation		
PRINCIPLE 3: INDIGENOUS PEOPLES' RIGHTS		
<p>The Organization* shall* identify and uphold* Indigenous Peoples'*Legal* and customary rights* of ownership, use and management of land, territories* and resources affected by management activities.</p>		
<p>PRINSIP 3: HAK-HAK MASYARAKAT ADAT*</p> <p><i>Organisasi* harus* mengidentifikasi dan menjunjung tinggi* hak-hak adat* dan hukum* masyarakat adat* atas kepemilikan, penggunaan dan pengelolaan tanah, wilayah* dan sumberdaya yang terdampak oleh kegiatan pengelolaan.</i></p>		
C3.1. Not Evaluated in this Evaluation	C	
<p>3.1.1: Indigenous peoples* that may be affected by management activities are identified.</p> <p>3.1.1: Masyarakat adat* yang mungkin terdampak oleh kegiatan pengelolaan teridentifikasi.</p>	C	<p>Based on interviews and document review, the organization has identified the existence of indigenous peoples who may be affected by the organization's activities. Identification of the existence of indigenous peoples is proven by the existence of documents that can be reviewed by the auditor:</p> <ul style="list-style-type: none"> - Analisis Dampak Lingkungan Hidup - Environmental and Social Impact Assessment. - Laporan Identifikasi dan Pengelolaan Masyarakat - Laporan Pemetaan Potensi dan Resolusi Konflik

		<p>- <i>Laporan Penilaian HCV PT HKI</i></p> <p>Based on the identification results, PT HKI's operational work area is in the administrative area of the villages of Kedondong Village, Pangkalan Batu, Sungai Jelayan, Air Hitam Besar and Mekar Utama in Kendawangan District, Ketapang Regency. The villages are expected to receive the impact of the company's activities. The population of the hamlets within the working area of PT HKI is dominated by Dayak and Malay ethnic groups, followed by Javanese, Sundanese, Batak and Chinese ethnic groups. The Dayak tribe is still an indigenous community which is characterized by the existence of a common ancestor, having institutions, namely customary institutions, having hereditary traditions.</p>
<p>3.1.2: Through culturally appropriate* engagement* with the indigenous peoples* identified in 3.1.1, the following are documented and/or mapped:</p> <ol style="list-style-type: none"> 1) Their legal* and customary rights* of tenure*; 2) Their legal* and customary* access to, and use rights*, of the forest* resources and ecosystem services*; 3) Their legal* and customary rights* and obligations that apply; 4) The evidence supporting these rights and obligations; 5) Areas where rights are contested between Indigenous Peoples*, governments and/or others; 6) Summary of the means by which the legal* and customary rights* and contested rights, are addressed by The Organization*; 7) The aspirations and goals of Indigenous Peoples* related to management activities, Intact Forest Landscapes* and Indigenous cultural landscapes*. <p>3.1.2: Melalui pelibatan* yang sesuai dengan budaya* dengan masyarakat adat* yang teridentifikasi dalam 3.1.1, hal-hal berikut didokumentasikan dan/atau dipetakan:</p> <ol style="list-style-type: none"> 1) Hak-hak adat* dan hukum* mereka atas penguasaan lahan*; 2) Akses adat* dan hukum* mereka ke, dan hak pemanfaatan* atas sumberdaya hutan* dan jasa ekosistem*; 3) Hak-hak adat* dan hukum* dan kewajiban mereka yang berlaku; 4) Bukti yang mendukung hak-hak dan kewajiban-kewajiban ini; 5) Area-area di mana hak diperebutkan antara masyarakat adat*, pemerintah dan/atau orang lain; 	C	<p>Based on interviews with staff and the community, and document review, the Organization has carried out activities involving the community. These activities are environmental impact analysis, environmental and social assessment, community identification and management, and high conservation value assessment. These activities were carried out in surrounding villages and the work area, including indigenous peoples. All results of activities have been documented, including the existence of maps attached to documents.</p> <ol style="list-style-type: none"> 1. Their customary and legal rights over land tenure are explained regarding the land tenure system, which is generally carried out by indigenous peoples from generation to generation in farming and gardening activities. 2. Indigenous peoples are identified as having a close relationship with the customary forests they recognize. Indigenous people's activities in the forest meet their basic needs for food and drink, building materials, and materials to fulfill culture. 3. Indigenous peoples have the right to jointly use customary forests and have the responsibility to maintain them collectively. Any use of customary territory benefits must obtain customary approval.

<p>6) Ringkasan cara yang digunakan oleh hak adat* dan hukum* dan hak yang diperebutkan, ditangani oleh Organisasi*;</p> <p>7) Aspirasi dan tujuan Masyarakat Adat* terkait kegiatan pengelolaan, Lanskap Hutan Utuh* dan Lanskap Budaya Adat*.</p>	<p>4. It is recorded in the study document regarding the community's use of sources of the fulfillment of basic material needs and places used by indigenous peoples in meeting socio-cultural needs. The implementation of the salvation ritual is part of the obligations recorded in the review document.</p> <p>5. Administratively, the local government has not laid out the boundaries between villages. This is still a potential conflict between village communities, there is overlapping ownership. However, there is no struggle for customary rights between communities.</p> <p>6. Even though there is no struggle for customary rights between communities. However, with the existence of boundary problems between administrative areas, the organization encourages and supports the government in carrying out the delineation of boundaries between villages.</p> <p>7. It was noted that in the public consultation meeting, the community expects HKI to increase outreach to minimize the impact management to protect and maintain HCVs, facilitating access to areas designated as HCVs.</p>
<p>C3.2. The Organization* shall* recognize and uphold* the legal* and customary rights* of Indigenous Peoples* to maintain control over management activities within or related to the Management Unit* to the extent necessary to protect their rights, resources and lands and territories*. Delegation by indigenous peoples* of control over management activities to third parties requires Free, Prior and Informed Consent*.</p> <p>K.3.2. Organisasi* harus* mengakui dan menjunjung tinggi* hak adat* dan hukum* Masyarakat Adat* untuk mempertahankan kendali atas kegiatan pengelolaan di dalam atau yang berkaitan dengan Unit Manajemen* sejauh yang diperlukan untuk melindungi hak-hak, sumberdaya serta lahan dan wilayah* mereka. Pelimpahan kendali atas kegiatan pengelolaan dari Masyarakat Adat* kepada pihak ketiga harus melalui Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan*.</p>	<p>C</p>
<p>3.2.1: Through culturally appropriate* engagement* Indigenous peoples* are informed when, where and how they can comment on and request modification to management activities to the extent necessary to protect their rights, resources, lands and territories*.</p>	<p>C</p> <p>Based on the review of the procedure document: <i>Komunikasi, Partisipasi dan Konsultasi</i> No. P-HKI-PNR-SOC-06 Rev. 0 July 31, 2018, the organization has arranged mechanisms for communication, participation and consultation on aspects related to legal internally and externally. The community's</p>

<p>3.2.1: Melalui pelibatan* yang sesuai dengan budaya*, Masyarakat Adat* diberi tahu kapan, di mana dan bagaimana mereka dapat memberi komentar dan meminta perubahan sejauh yang diperlukan atas kegiatan pengelolaan untuk melindungi hak, sumberdaya, lahan dan wilayah* mereka.</p>		<p>aspiration can be conveyed to the Organization in writing or orally to the Estate Manager. The Manager records every aspiration entered the stakeholder communication logbook.</p> <p>The organization also organizes the socialization of RKT every year. The outreach invites local communities who may be affected by activities in the RKT year. The community is given the opportunity to provide input to organizations related to the RKT work plan. The results of the agreement are recorded, and an official report is made and signed by the organization and community representatives.</p> <p>Interviews with village communities explain when and how they can convey their aspirations to the Organization regarding issues that arise in the community. Aspirations are submitted to the Estate Manager or staff in charge of the social sector. The community also expressed their aspirations in the dissemination of the RKT and in holding meetings discussing CSR plans in their villages that would be proposed to the Organization.</p>
<p>3.2.2: The Legal* and customary rights* of indigenous peoples* are not violated by The Organization*.</p> <p>3.2.2: Hukum* dan hak adat* masyarakat adat* tidak dilanggar oleh Organisasi*.</p>	C	<p>Based on document review, and interviews with communities and staff, the Organization has identified and mapped the rights of indigenous peoples through HCV assessments and identification of indigenous peoples. Customary rights and laws are recognized by the organization. Within the management unit, there are no customary rights. However, several locations within the concession were worked on by the community and mapped by the organization. The organization conducts socialization at each opening of the RKT, to find out the opinion of the community if there is an expectation that the community can act in the RKT area to respect customary rights. The organization conducts traditional events at the start of the opening of the RKT in accordance with the culture of the local indigenous people.</p> <p>Interviews with sources in the surrounding hamlets confirmed that the company respects the culture and customs of the community. RKT celebrations and socialization were carried out. Residents can provide input if</p>

		there are community customary rights in the location of the project activity. Customary land and sacred land that are recognized by the community are not disturbed by company activities. The company provides road construction assistance, facilitating community activities according to the community's needs for customary land rights.
<p>3.2.3: Where evidence exists that Legal* and customary rights* of indigenous peoples* related to management activities have been violated the situation is corrected, if necessary, through culturally appropriate* engagement* and/or through the dispute* resolution process as required in Criteria* 1.6 or 4.6.</p> <p>3.2.3: Bila ada bukti bahwa hukum* dan hak adat* Masyarakat Adat* yang berkaitan dengan kegiatan pengelolaan telah dilanggar, maka situasi tersebut diperbaiki, jika perlu, melalui pelibatan* yang sesuai dengan budaya* dan/atau melalui proses penyelesaian perselisihan* seperti yang diwajibkan dalam Kriteria* 1.6 atau 4.6.</p>	C	<p>Based on interviews with the community and staff, the organization maintains good relations with the community to avoid violations of the legal and people's rights. As in the implementation of each RKT socialization. On the occasion of carrying out socialization the organization submits an annual work plan, HCV areas in the RKT block including sacred areas and community culture, community development programs and complaint submission mechanisms. Based on interviews with the community, there were no violations committed by the organization on the cultivation of community land or areas that are cultural sites belonging to the community. The organization respects the culture of the community in organizing traditional events and the opening ceremony of the RKT.</p>
<p>3.2.4: Free, Prior and Informed Consent* is granted by Indigenous Peoples* prior to management activities that affect their identified rights through a process that includes:</p> <ol style="list-style-type: none"> 1) Ensuring indigenous peoples* know their rights and obligations regarding the resource; 2) Informing the indigenous peoples* of the value of the resource, in economic, social and environmental terms. 3) Informing the indigenous peoples* of their right to withhold or modify consent to the proposed management activities to the extent necessary to protect their rights, resources, lands and territories*; and; 4) Informing the Indigenous Peoples* of the current and future planned forest* management activities. <p>3.2.4: Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan* diberikan oleh Masyarakat Adat* sebelum kegiatan pengelolaan yang mempengaruhi hak mereka yang telah teridentifikasi melalui sebuah proses yang meliputi:</p> <ol style="list-style-type: none"> 1) Memastikan Masyarakat Adat* mengetahui hak dan kewajiban mereka terkait dengan sumberdaya; 2) Menginformasikan Masyarakat Adat* mengenai nilai dari sumberdaya, dalam hal ekonomi, sosial dan lingkungan; 	C	<p>The organization organizes socialization before implementing the annual work plan. This implementation is a FPIC process for indigenous peoples in villages around the work area. In 2022 RKT, the following socialization was carried out:</p> <ul style="list-style-type: none"> - Bagan Cabe Hamlet, Air Hitam Village, was held on January 18 2022, attended by 48 residents, village officials, traditional leaders, Kendawangan Police, Kendawangan Koramil, Ketapang KPH. - Hantak Hamlet, Air Hitam Village, held January 19, 2022, attended by 28 residents, village officials, traditional leaders, Kendawangan Police, Kendawangan Koramil, Ketapang KPH. - Pangkal Pinang Hamlet, Sungai Jelayan Village, held on January 20 2022, attended by 18 residents, village officials, traditional leaders, Kendawangan Police, Kendawangan Koramil, Ketapang KPH. - Kedondong Village, held on January 21 2022, attended by residents, village officials, traditional leaders, Kendawangan Police, Kendawangan Koramil, KPH Ketapang.

<p>3) Menginformasikan Masyarakat Adat* mengenai hak mereka untuk tidak memberikan atau mengubah persetujuan terhadap kegiatan pengelolaan yang diajukan sejauh yang diperlukan untuk melindungi hak-hak, sumberdaya, lahan dan wilayah* mereka; dan</p> <p>4) Menginformasikan Masyarakat Adat* mengenai kegiatan pengelolaan hutan* saat ini dan yang direncanakan di masa mendatang.</p>		<ul style="list-style-type: none"> - Advanced Air Merah Hamlet, Banjar Sari Village, held on January 22 2022, attended by residents, village officials, traditional leaders, Kendawangan Police, Kendawangan Koramil, Ketapang KPH. - Silingan Hamlet, Mekar Utama Village, held on January 22 2022, attended by 29 residents, village officials, traditional leaders, Kendawangan Police, Kendawangan Koramil, Ketapang KPH. - Air Merah Hamlet, Pangkal Pinang, Teluk Bayur, and Kempas, Sungai Jelayan Village, was held on February 2, 2022, attended by 44 residents, village officials, traditional leaders, Kendawangan Police, Kendawangan Koramil, Ketapang KPH. <p>Based on the document review and interviews with the community members met, the organization has submitted socialization material that includes the requirements in this indicator 3.2.4. The community and the organization have signed the socialization minutes, and the community keeps the signed documents. The minutes were also signed by KPH Ketapang as a witness from the government.</p>
<p>3.2.5: Where the process of Free Prior and Informed Consent* has not yet resulted in an FPIC agreement, The Organisation* and the affected Indigenous peoples* are engaged in a mutually agreed FPIC process that is advancing, in good faith* and with which the community is satisfied.</p> <p>3.2.5: Apabila proses Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan* belum menghasilkan perjanjian PADATAPA, Organisasi* dan Masyarakat Adat* yang terdampak terlibat dalam proses FPIC yang disepakati bersama yang bergerak maju, dengan itikad baik* dan yang membuat masyarakat puas.</p>	C	<p>Based on the document review of the minutes of socialization of PT Hutan Ketapang Industri's IUPHHK-HTI management activities in 2022 which have been carried out in the hamlets included in the village area of Kedondong, Banjar Sari, Air Hitam, Sungai Jelayan and Mekar Utama, the 2022 work plan has been approved by the community. Based on interviews with residents of Hantak hamlet, Air Hitam Village confirmed that they had received the socialization and signed an agreement which was stated in the socialization minutes. The granting of "Tali Asih" to land cultivators is a form of land cultivation rights termination, there is no bond as to how the organization manages it.</p>
<p>C3.3. In the event of delegation of control over management activities, a binding agreement* between The Organization* and the indigenous peoples* shall* be concluded through Free, Prior and Informed Consent*. The agreement shall* define its duration, provisions for renegotiation, renewal, termination, economic conditions and other terms and conditions. The agreement shall* make provision for monitoring* by Indigenous Peoples* of The</p>	C	

<p>Organization's compliance with its terms and conditions.</p>		
<p>K3.3. Dalam hal pendelegasian kendali atas kegiatan pengelolaan, Perjanjian yang Mengikat* antara Organisasi* dan Masyarakat Adat* harus* dibuat melalui Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan*. Perjanjian harus* menetapkan lamanya, ketentuan untuk negosiasi ulang, pembaruan, penghentian, kondisi ekonomi dan syarat dan ketentuan lainnya. Perjanjian tersebut harus* membuat ketentuan untuk pemantauan* oleh Masyarakat Adat* atas kepatuhan Organisasi* terhadap syarat dan ketentuannya.</p>		
<p>3.3.1: Where control over management activities has been granted through Free Prior and Informed Consent* based on culturally appropriate* engagement*, the binding agreement* contains the duration, provisions for renegotiation, renewal, termination, economic conditions and other terms and conditions.</p> <p>3.3.1: Jika kendali atas kegiatan pengelolaan telah diberikan melalui Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan* berdasarkan pelibatan* yang sesuai dengan budaya*, perjanjian yang mengikat* berisi lamanya, ketentuan untuk negosiasi ulang, pembaruan, penghentian, kondisi ekonomi, serta syarat dan ketentuan lainnya.</p>	C	<p>Based on the document review, the Organization obtained the right to manage the forest from the government. There are no customary forests within the concession that are formally recognized by law. So there is no delegation of forest management from the community. Permits are granted by the community to the Organization through the FPIC process regarding the annual work plan (RKT). FPIC produces Minutes signed by Organizations and community representatives. The Minutes contain the community's approval of the commencement of the company's activities in that year.</p> <p>Most of the forest in the organization's area is cultivated land for agriculture/plantation by the community. "Tali Asih" is a compensation payment given to land cultivators if the land is included in the RKT to be planted. "Tali Asih" is a form of settlement of land cultivation, there is no relationship between the land and the cultivator after "Tali Asih" is accepted.</p>
<p>3.3.2: Records of binding agreements* are maintained by all parties.</p> <p>3.3.2: Catatan perjanjian yang mengikat* disimpan oleh semua pihak.</p>	C	<p>Based on document review, and Staff and community interviews. The organization gets the right to manage the forest from the government. There are no customary forests within the concession that are formally recognized by law. So that there is no delegation of forest management from the community along with the binding agreement. The agreement between the community and the Organization in forest management contained in the minutes of socialization of the RKT 2022 signed by the Organization and community representatives, is not a binding agreement for forest management. With the minutes, the community knows the</p>

		organization's work plan, and if there is community interest in the area, they can submit complaints. Minutes are kept by the Organization and the villagers.
<p>3.3.3: The binding agreement* contains the provision for monitoring* by Indigenous Peoples* of The Organization*'s compliance with its terms and conditions.</p> <p><i>3.3.3: Perjanjian yang mengikat* berisi ketentuan untuk pemantauan* oleh Masyarakat Adat* atas kepatuhan Organisasi* terhadap syarat dan ketentuannya.</i></p>	C	<p>As described in indicators 3.3.1 and 3.3.2. that there is no local community customary forest management, and there is no management agreement and binding agreement. However, there is the socialization of the annual work plan for forest management which contains the company's formal obligations to both the government and the community. Communities are allowed to submit complaints if there are deviations from the company's operations of what has been planned and this is related to the interests of indigenous peoples.</p>
<p>C3.4. The Organization* shall* recognize and uphold* the rights, customs and culture of indigenous peoples* as defined in the United Nations Declaration on the Rights of Indigenous Peoples (2007) and ILO Convention 169 (1989).</p> <p><i>K.3.4. Organisasi* harus* mengakui dan menjunjung tinggi* hak, adat istiadat dan budaya Masyarakat Adat* sebagaimana didefinisikan dalam Deklarasi Perserikatan Bangsa-Bangsa tentang Hak-Hak Masyarakat Adat (2007) dan Konvensi ILO 169 (1989).</i></p>	C	
<p>3.4.1: The rights, customs and culture of indigenous peoples* as defined in UNDRIP, and ILO Convention 169 are not violated by The Organization*.</p> <p><i>3.4.1: Hak, adat istiadat dan budaya masyarakat adat* sebagaimana didefinisikan dalam UNDRIP, dan Konvensi ILO 169 tidak dilanggar oleh Organisasi*.</i></p>	C	<p>Based on a review of documents, and reports, the organization has a policy that recognizes and respects the existence of local/indigenous peoples, still referring to the ILO convention 169 of 1989 regarding indigenous peoples' law and the United Nations Declaration on the Human Rights of Indigenous People. This policy is stated in the document <i>PERNYATAAN TENTANG MASAYARAKAT ADAT PT HUTAN KETAPANG INDUSTRI</i> which was signed by the Director on 7 January 2022 and posted on the company's website www.hki.com. The organization prioritizes conflict resolution by way of deliberation and respecting the laws of the local community in the event of a dispute. The organization has collected records of conflicts that have occurred in its management. Records are stored in the manager's monthly report. The auditor can review the conflict records for 2019 – 2022. Based on the review, the records do not indicate any violation of the rights, customs, and culture of indigenous peoples. The</p>

		<p>organization has identified the existence of areas that are recognized by the community as having customary and cultural ties at a high conservation value assessment. Protection of this area has been carried out by marking. Field observations of the conditions of these important sites have been removed from the managed area.</p> <p>Based on interviews with the community, there were no complaints submitted by those interviewed about organizational violations of the rights, customs, and culture of the community.</p>
<p>3.4.2: The Organization* complies with article 18B and paragraph 3 of Article 28i of the 1945 National Constitution (UUD 1945), as well as related national statutory laws* regarding the rights, customs and culture of Indigenous Peoples*.</p> <p><i>3.4.2: Organisasi* mematuhi pasal 18B dan ayat 3 Pasal 28i Undang-Undang Dasar Negara 1945 (UUD 1945), serta hukum* perundang-undangan nasional terkait tentang hak, adat istiadat, dan budaya Masyarakat Adat*.</i></p>	C	<p>The organization respects the rights, ownership, and culture of the local community which is reflected in the company's commitment contained in the document <i>PERNYATAAN TENTANG MASYARAKAT ADAT PT HUTAN KETAPANG INDUSTRI</i>.</p> <p>Based on a review of documents and interviews with communities, the Organization respects the cultural identity and rights of indigenous peoples as well as relevant national laws and regulations regarding the rights, customs, and culture of Indigenous Peoples. The organization is committed to not directly or indirectly violating human rights or traditional rights of communities in forestry industry activities. The traditional ceremony of salvation at the opening of works in the 2022 RKT uses local customary procedures. This event is part of the respect for the cultural identity of the people in the workplace.</p> <p>A cultural identity that is reflected in sites that have cultural ties with indigenous peoples such as old villages, sacred places, and cemeteries within the working area has been identified, mapped, and protected. Education to employees and contractors about the importance of these sites to indigenous peoples is carried out to ensure protection lasts during operations.</p> <p>Rivers that have important meaning for the community are managed through the installation of guide signs around the river, as well as prohibitions and appeals so that the area is guarded, maintained, and its existence preserved. These actions are documented as contained in the <i>Laporan Pengelolaan dan Pemantauan NKT</i> (HCV Management and</p>

		Monitoring Report) which was reviewed by the auditor.
<p>3.4.3: Where evidence that rights, customs and culture of Indigenous Peoples*, as defined in UNDRIP and ILO Convention 169 have been violated by The Organization*, the situation is documented including steps to restore* these rights, customs and culture of Indigenous Peoples*, to the satisfaction of the rights holders.</p> <p>Note: the definition of indigenous peoples according to Indonesia Constitutional Court Decree No 35/PUU-X/2012 includes forest dependant and non-forest dependant peoples.</p> <p>3.4.3: Jika terbukti bahwa hak, adat istiadat dan budaya Masyarakat Adat*, sebagaimana didefinisikan dalam UNDRIP dan Konvensi ILO 169, telah dilanggar oleh Organisasi*, situasinya didokumentasikan termasuk langkah-langkah untuk memulihkan* hak, adat istiadat dan budaya Masyarakat Adat*, untuk kepuasan para pemegang hak.</p> <p>Catatan: Definisi masyarakat adat menurut Keputusan Mahkamah Konstitusi Indonesia No 35 / PUU-X / 2012 mencakup masyarakat yang bergantung pada hutan dan masyarakat yang tidak bergantung pada hutan.</p>	C	As described in indicator 3.4.1. the organization does not violate the rights, customs, and culture of indigenous peoples as defined in UNDRIP and ILO Convention 169.
<p>C3.5. The Organization*, through engagement* with indigenous peoples*, shall* identify sites which are of special cultural, ecological, economic, religious or spiritual significance and for which these indigenous peoples* hold Legal* or customary rights*. These sites shall* be recognized by The Organization* and their management, and/or protection* shall* be agreed through engagement* with these indigenous peoples*.</p> <p>K.3.5. Organisasi*, melalui pelibatan* Masyarakat Adat*, harus* mengidentifikasi situs-situs yang memiliki makna budaya, ekologi, ekonomi, agama atau spiritual khusus, di mana Masyarakat Adat* ini memegang Hak-hak Adat* atau hukum*. Situs-situs ini harus* diakui oleh Organisasi* dan pengelolaannya dan/atau perlindungannya* harus* disepakati melalui pelibatan* Masyarakat Adat*.</p>	C	
<p>3.5.1: Sites of special cultural, ecological, economic, religious or spiritual significance for which Indigenous Peoples* hold Legal* or customary rights* are identified through culturally appropriate* engagement*.</p> <p>3.5.1: Situs-situs yang memiliki makna budaya, ekologi, ekonomi, agama atau spiritual khusus di mana Masyarakat Adat* memiliki Hak Adat* atau Hukum* diidentifikasi melalui pelibatan* yang sesuai dengan budaya*.</p>	C	Based on document reviews and community interviews, the Organization identifies sites of special cultural, ecological, economic, religious, or spiritual significance through community cultural engagement. The HCV assessment in the area in 2017 was carried out in collaboration with a consultant. Locations included in HCV 5 and HCV 6 were identified through consultation with local indigenous peoples. The team collected data using technical key informant interviews, for

		example with traditional and village government leaders and interviewing residents. Complete identification results can be found in Appendix 1. Social Survey Report for the Study of High Conservation Value Assessment of IUPHHK-HTI PT Hutan Ketapang Industri. Stakeholder consultations were also carried out before and after the assessment.
<p>3.5.2: Measures to protect such sites are agreed, documented and implemented through culturally appropriate* engagement* with indigenous peoples*. When indigenous peoples* determine that physical identification of sites in documentation or on maps would threaten the value or protection* of the sites, then other means will be used.</p> <p><i>3.5.2: Tindakan-tindakan untuk melindungi situs-situs sebagaimana itu disepakati, didokumentasikan dan dilaksanakan melalui pelibatan* yang sesuai dengan budaya* dengan Masyarakat Adat*. Jika Masyarakat Adat* menentukan bahwa identifikasi fisik situs dalam dokumentasi atau di peta akan mengancam nilai atau perlindungan* situs, maka cara lain akan digunakan.</i></p>	C	<p>The organization has an HCV Management and Monitoring Plan document which was prepared in 2019. The HCV management plan contains an HCV Management and Monitoring Strategy and an HCV Management and Monitoring Plan. The development of a management plan is carried out concurrently with the implementation of an HCV assessment. Public consultation is carried out by the assessment team to obtain input from interested parties and parties affected by the Organization's activities, namely indigenous peoples. There is a record of the results of consultations with the community which is included in the attachment to the HCV assessment report. Input from the community is taken into consideration in preparing an HCV management plan, especially for HCV 5 and HCV 6 which are related to areas that are important to the community to fulfill basic needs and cultural and customary needs. The design has been devised after being identified in the conduct of the HCV assessment.</p> <p>In implementing the management plan, for example, the Organization disseminates RKT 2022. In this socialization, the Organization submits a management work plan including efforts to maintain protected areas such as HCV 5 areas and HCV6 locations. Dissemination of agreeing on joint action with indigenous peoples to maintain conservation values. Based on interviews with the community, the community participated in the HCV assessment process including participating in group discussions with the assessment team. Comments and input were given by the discussion participants on the material discussed.</p>
3.5.3: Wherever sites of special cultural, ecological, economic, religious or spiritual significance are newly observed or discovered, management activities cease immediately in the vicinity until protective measures have	C	The organization carries out the FPIC process before the RKT operation is carried out. The socialization was carried out to find out community comments and to obtain permission from the people to commence

<p>been agreed to with the Indigenous Peoples*, and as directed by local and national laws*.</p> <p>3.5.3: Apabila situ-situs yang memiliki makna budaya, ekologi, ekonomi, agama atau spiritual khusus baru saja diamati atau ditemukan, kegiatan pengelolaan segera dihentikan di sekitarnya sampai Tindakan perlindungan telah disepakati dengan Masyarakat Adat*, dan seperti yang diatur oleh hukum* lokal dan nasional.</p>		<p>land-clearing activities. Most of the area is cultivated by the community. To free the cultivated land, "Tali asih" payments are made to the cultivator.</p> <p>The presence of cultural, ecological, economic, religious or spiritual sites has been identified during the HCV assessment. However, there is still the possibility of these sites have not been revealed. Based on interviews with staff, this has never happened. However, if the team finds a potential cultural site, the chance finding procedure for a cultural site is applied. The officer immediately stopped all activities, reported to the Assistant / Askep. The results of field investigations by the Assistant/Askep provide recommendations for stopping or continuing activities. This procedure is contained in the Integrated Management System Procedur : Tali Asih Penggarapan Lahan Konsesi no. P-HKI-PNR-SOC-09, Rev. 1 on 05 September 2018.</p>
<p>C3.6. The Organization* shall* uphold* the right of indigenous peoples* to protect* and utilize their traditional knowledge* and shall* compensate local communities* for the utilization of such knowledge and their intellectual property*. A binding agreement* as per Criterion* 3.3 shall* be concluded between The Organization* and the indigenous peoples* for such utilization through Free, Prior and Informed Consent* before utilization takes place, and must be * consistent with * protection of property rights intellectual *.</p> <p>K3.6. Organisasi* harus* menjunjung tinggi* hak Masyarakat Adat* untuk melindungi* dan memanfaatkan pengetahuan tradisional* mereka dan harus* memberi kompensasi kepada Masyarakat lokal* atas pemanfaatan pengetahuan tersebut dan kekayaan intelektual* mereka. Perjanjian yang mengikat* sesuai Kriteria* 3.3 harus* dibuat antara Organisasi* dan Masyarakat Adat* untuk pemanfaatan tersebut melalui Persetujuan Atas Dasar informasi Awal Tanpa Paksaan* sebelum pemanfaatan dilakukan, dan harus* konsisten dengan perlindungan* dari hak kekayaan intelektual*.</p>	C	
<p>3.6.1: Traditional knowledge* and intellectual property* are protected and are only used when the acknowledged owners of that traditional knowledge* and intellectual property* have provided their Free, Prior and Informed Consent* formalized through a binding agreement*.</p>	C	<p>The organization do not use traditional knowledge and intellectual property of the customary community.</p> <p>However, the Indigenous of Demung proposed that there should be buildings or mark as a character of the traditional Dayak culture in</p>

3.6.1: <i>Pengetahuan tradisional* dan kekayaan intelektual* dilindungi dan hanya digunakan jika pemilik yang diakui dari pengetahuan tradisional* dan kekayaan intelektual* telah memberikan Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan* yang diformalkan melalui perjanjian yang mengikat*.</i>		the basecamp of HKI 10. The agreement was agreed upon by both parties. The making and installation of typical Dayak ornaments were carried out by communities while all costs were covered by the organization. Traditional Dayak ornaments were installed at the entrance gate of Estate HKI 10.
3.6.2: Indigenous Peoples* are compensated according to the binding agreement* reached through Free, Prior and Informed Consent* for the use of traditional knowledge* and intellectual property*. 3.6.2: <i>Masyarakat Adat* diberi kompensasi sesuai dengan perjanjian yang mengikat* yang dicapai melalui Persetujuan Atas Dasar Informasi Awal Tanpa Paksaan* untuk penggunaan pengetahuan tradisional* dan kekayaan intelektual*.</i>	N/A	The organization do not use traditional knowledge and intellectual property of the customary community.
PRINCIPLE 4: COMMUNITY RELATIONS The Organization* shall* contribute to maintaining or enhancing the social and economic wellbeing of local communities*.		
PRINSIP 4: HUBUNGAN DENGAN MASYARAKAT Organisasi* harus* berkontribusi untuk mempertahankan atau meningkatkan kesejahteraan sosial dan ekonomi masyarakat lokal*.		
C4.1. Not Evaluated in this Evaluation		
C4.2. Not Evaluated in this Evaluation		
C4.3. Not Evaluated in this Evaluation		
C4.4. Not Evaluated in this Evaluation	C	
4.4.1: Opportunities for local social and economic development are identified through culturally appropriate* engagement* with local communities* and other relevant organizations. 4.4.1: <i>Peluang untuk pembangunan sosial dan ekonomi lokal diidentifikasi melalui pelibatan* yang sesuai dengan budaya* dengan Masyarakat lokal* dan organisasi terkait lainnya.</i>	C	The organization has identified opportunities for local social and economic development by involving local communities. The Environmental and Social Impact Assessment (ESIA) is carried out by involving the community as a source of information and consultation. One of the results of this assessment is the proposed social management activities to reduce negative impacts and increase positive impacts. The proposed activities are summarized in the ESIA report. Based on interviews with residents of Hantak Hamlet (Air Hitam Village), Tangir Jaya and Aur Kuning Hamlet (Pangkalan Batu Village) explained the preparation of the CSR program. The SCR program development phase began with a community meeting in each village. The meeting was chaired by the Village Head/Dusun Head and attended by residents including village officials, traditional leaders, and women's and youth representatives. The meeting discussed the types of development

		programs needed based on the conditions and potential that existed in the community. It endeavors that the proposed programs do not overlap with the programs that will be run by the government. Points of program proposals are submitted to the Organization through the social staff as well as a facilitator in organizing community meetings.
<p>4.4.2: Projects and additional activities are implemented and / or supported that contribute to local social and economic benefit and are proportionate to the socio-economic impact of management activities.</p> <p>4.4.2: <i>Projek dan kegiatan tambahan dilaksanakan dan/atau didukung yang memberikan kontribusi bagi manfaat sosial dan ekonomi lokal dan sebanding dengan dampak sosial ekonomi dari kegiatan pengelolaan.</i></p>	C	<p>Based on the proposals submitted by the community through community meetings, the Organization determines the CSR programs that will be carried out in each assisted village. Based on the document review, in 2022 the Organization has an activity plan that is grouped in the economic, health, education, infrastructure, and socio-cultural fields. Based on the distribution of the target villages, the CSR program will be held in Kedondong Village, Mekar Utama, Air Hitam Hulu, Air Hitam Besar, Sungai Jelayan, Pangkalan Batu, and SMK1 Muara Pawan Ketapang. The total budget provided for the CSR program is Rp. 343,850,000</p> <p>As of September 2022, programs in the (a) economy have been implemented including integrated farming, sewing workshops, forest honey bee cultivation, freshwater fish farming, cage system fisheries, and floating net system fisheries; (b) education: scholarships for 5 students of SMKN 1; (c) infrastructure: construction of clean water facilities and improvement of road access; ((d) Health: health services for pregnant women, toddlers and the elderly, and counseling on clean and healthy living; e) socio-cultural: library corner of the village; and f) environment: The village cares for a clean environment (waste management, trash can). The costs that have been incurred up to September 2022 have reached Rp. 228,171,770 or 66% of the budget.</p> <p>The CSR costs in 2021 reached 84% or Rp. 197,881,053 of the budget plan of Rp. 235.000.000,-</p>
C4.5. The Organization*, through engagement* with local communities*, shall* take action to identify, avoid and mitigate significant* negative social, environmental and economic impacts of its management activities on affected communities. The action taken shall* be	C	

<p>proportionate to the scale, intensity and risk* of those activities and negative impacts.</p> <p>K.4.5. Organisasi*, melalui pelibatan* dengan Masyarakat lokal*, harus* mengambil tindakan untuk mengidentifikasi, menghindari, dan mengurangi dampak sosial, lingkungan, dan ekonomi negatif yang signifikan dari kegiatan pengelolaannya pada masyarakat yang terdampak. Tindakan yang diambil harus* proporsional dengan skala, intensitas dan risiko* dari kegiatan tersebut dan dampak negatifnya.</p>		
<p>4.5.1: Through culturally appropriate* engagement* with local communities*, measures are implemented to identify and avoid significant* negative social, environmental and economic impacts of management activities.</p> <p>4.5.1: Melalui pelibatan* yang sesuai dengan budaya* dengan Masyarakat lokal*, langkah-langkah diterapkan untuk mengidentifikasi dan menghindari dampak negatif yang signifikan dari kegiatan pengelolaan terhadap sosial, lingkungan, dan ekonomi.</p>	C	<p>Based on the document review, the Organization has identified the negative impacts of management activities on social, environmental, and economic. The results of identifying negative impacts are contained in the <i>Addendum Analisis Mengenai Dampak Lingkungan Hidup (ANDAL) Usaha Pemanfaatan Hasil Hutan Kayu – Hutan Tanaman Industri (UPHHK-HTI) PT. Hutan Ketapang Industri Kecamatan Kendawangan Kabupaten Ketapang Tahun 2014</i> document. Identification of potential impacts was obtained from a series of results of consultations and discussions between the AMDAL drafting team, literature surveys, field surveys, initiators, and other competent sources, including members of the community around the site. Identified potential negative impacts:</p> <p>a). Impact on the environment: noise air quality, soil erosion, land and forest fires, surface water quality, diversity of flora and fauna species.</p> <p>b) Social, economic, cultural, and health impacts: community perception, social conflict, and level of health.</p> <p>Based on the estimated impact arising, steps have been prepared to avoid negative impacts detailed in the ANDAL document, all described in the table of <i>Arahan Pengelolaan Lingkungan Hidup Kegiatan UPHHK-HTI PT. HUTAN KETAPANG INDUSTRI</i>.</p> <p>The organization has an Addendum - Rencana Pemantauan Lingkungan (RKL) Usaha Pemanfaatan Hasil Hutan Kayu – Hutan Tanaman Industri (UPHHK-HTI) PT. HUTAN KETAPANG INDUSTRI Tahun 2014 document.</p> <p>RKL-RPL is prepared and implemented to prevent, mitigate, minimize or control impacts</p>

		both those that arise when the activity takes place and when the activity ends.
<p>4.5.2: Actions to mitigate the negative social, environmental and economic impacts as identified in 4.5.1 are implemented.</p> <p>4.5.2: Tindakan untuk mengurangi dampak negatif sosial, lingkungan dan ekonomi seperti yang diidentifikasi dalam 4.5.1 diterapkan.</p>	C	<p>Based on the document review, the Organization has implemented actions to reduce the negative social, environmental and economic impacts by realizing the environmental management plan. There are reports on the implementation of RKL-RPL Semester I and II of 2021 and Semester I of 2021.</p> <p>The conflict potential management is carried out through announcements of recruitment of workers; provision of local workers about work culture; receive suggestions, aspirations and expectations of the community in consensus deliberations.</p> <p>Public health management is carried out by counseling clean and healthy living for the community, providing health services and treatment to the community.</p> <p>Reduced air quality management is carried out by adjusting the speed of vehicles at the project site and closing vehicles transporting materials.</p> <p>Based on interviews with the community, it was confirmed that there were job and business opportunities in the organization for the local village community. The community also admits that they get health services at the estate health clinic free of charge.</p>
C4.6. Not Evaluated in this Evaluation		
C4.7. Not Evaluated in this Evaluation		
C4.8. Not Evaluated in this Evaluation		
PRINCIPLE 5: BENEFITS FROM THE FOREST* The Organization* shall* efficiently manage the range of multiple products and services of the Management Unit* to maintain or enhance long-term* economic viability* and the range of social and environmental benefits.		
PRINSIP 5: MANFAAT HUTAN* Organisasi* harus* secara efisien mengelola berbagai produk dan jasa Unit Manajemen* untuk mempertahankan atau meningkatkan kelangsungan ekonomi* jangka panjang* dan berbagai manfaat sosial dan lingkungan.		
C5.1. Not Evaluated in this Evaluation		
C5.2. Not Evaluated in this Evaluation		
C5.3. Not Evaluated in this Evaluation		
C5.4. Not Evaluated in this Evaluation		
C5.5. Not Evaluated in this Evaluation		
PRINCIPLE 6: ENVIRONMENTAL VALUES* AND IMPACTS The Organization* shall* maintain, conserve* and/or restore* ecosystem services* and environmental values* of the Management Unit*, and shall* avoid, repair or mitigate negative environmental impacts.		

PRINSIP 6: DAMPAK DAN NILAI LINGKUNGAN* <i>Organisasi* harus* memelihara, melestarikan* dan/atau memulihkan* jasa ekosistem* dan nilai lingkungan* dari Unit Manajemen*, dan harus* menghindari, memperbaiki atau mengurangi dampak negatif terhadap lingkungan.</i>		
C6.1. Not evaluated in this evaluation.		
C6.2. Not evaluated in this evaluation.		
C6.3. Not evaluated in this evaluation.		
<p>C6.4. The Organization* shall* protect rare species* and threatened species* and their habitats* in the Management Unit* through conservation zones*, protection areas*, connectivity* and/or (where necessary) other direct measures for their survival and viability. These measures shall* be proportionate to the scale, intensity and risk* of management activities and to the conservation* status and ecological requirements of the rare and threatened species*. The Organization* shall* take into account the geographic range and ecological requirements of rare and threatened species* beyond the boundary of the Management Unit*, when determining the measures to be taken inside the Management Unit*.</p> <p><i>K.6.4. Organisasi* harus* melindungi spesies langka* dan spesies terancam* dan habitat* mereka di Unit Manajemen* melalui zona konservasi*, kawasan perlindungan*, keterhubungan* dan/atau (apabila diperlukan) tindakan langsung lainnya untuk menyelamatkan hidup dan kelangsungan hidup mereka. Tindakan ini harus* proporsional dengan skala, intensitas dan risiko* kegiatan pengelolaan dan dengan status konservasi* dan persyaratan ekologi spesies terancam* dan langka. Organisasi* harus* mempertimbangkan rentang geografis dan persyaratan ekologi spesies terancam* dan langka di luar batas Unit Manajemen*, saat menentukan tindakan yang akan diambil di dalam Unit Manajemen*.</i></p>	C	
<p>6.4.1: Best Available Information* is used to identify rare and threatened species*, and their habitats*, including CITES species (where applicable) and those listed on national, regional and local lists of rare and threatened species* that are present or likely to be present within and adjacent to the Management Unit*.</p> <p><i>6.4.1: Informasi Terbaik yang Tersedia* digunakan untuk mengidentifikasi spesies terancam* dan langka, dan habitatnya*, termasuk spesies CITES (jika berlaku) dan yang terdaftar di daftar nasional, regional dan lokal dari spesies terancam* dan langka yang ada atau kemungkinan besar ada di dalam dan berdekatan dengan Unit Manajemen*.</i></p>	C	<p>Auditor found from document review that the organization already done the identification of RTE species through several activities such as: Environmental Impact Assessment (ANDAL) done in 2007 from previous company entitled PT. Kertas Basuki Rahmat. After acquisition by the organization, the ANDAL was revised in 2014. The revision is done as there is changes from previously PT. Kertas Basuki Rahmat into PT. Hutan Ketapang Industry with permit from Ministry of Forestry through Decree No: SK.59/Menhut II/2007 dated 22 February 2007 on behalf of PT Kertas Basuki Rachmat into IUPHHK-HTI No : SK.663/Menhut II/2011 dated 24 November 2011, a.n. PT. Hutan</p>

		<p>Ketapang Industri. The other reason is there is a change of species for main stands and livelihood plan with different cycle from previous species. The organization also want to plant bamboo in a total area of 500 ha.</p> <p>The document found to have identified various species of flora and fauna. For flora, the organization has identified flora from the stage of seedling, stand, pole and tree. The assessment also identified the water biota such as plankton, benthos, and nekton.</p> <p>The finding from the assessment found in the ANDAL document on section 3.21 – 3.2.3 on page III.29 – III-50. The species found in the assessment has been classified into protected status according to the Government Regulation No. 7/1999, IUCN, and CITES.</p> <p>The organization has also done HCV assessment in 2017 in collaboration with a group of experts in the field of forestry, biology, wildlife, social and GIS who are members of PT Ekologika Consultants, a consulting firm.</p> <p>The identified flora and fauna, including rare and threatened species are listed in the HCV assessment report with its conservation status, which is based on government regulation (PP no. 7/Year 1999), IUCN Red List, CITES and endemism. FME also has listed the flora fauna species found within its FMU compiled from several surveys in HCV assessment, BKSDA survey, Yayasan Palung survey, AMDAL, ESIA in Air Hitam, Fahutan Untan survey etc. The flora and fauna species listed with their conservation status based on government regulation (PermenLHK no. 106/Year 2018), IUCN Red List, CITES and endemism.</p>
<p>6.4.2: Potential impacts of management activities on rare and threatened species* and their conservation* status and habitats* are identified and management activities are modified to avoid negative impacts.</p> <p><i>6.4.2: Potensi dampak kegiatan pengelolaan pada spesies terancam* dan langka serta status konservasi* dan habitat* diidentifikasi dan kegiatan pengelolaan diubah untuk menghindari dampak negatif.</i></p>	C	<p>The auditor found that the organization has developed Environmental Impact Assessment (ANDAL) done in 2007 and HCV assessment in 2017.</p> <p>Based on review of ANDAL document, the impact to fauna, including RTE species is forest opening for road network construction, base camp construction, log landing and Log yard construction will cause disturbance to flora and fauna that will cause changes in their</p>

		<p>migration and adaptation to a more supporting area.</p> <p>Based on scoring in the ANDAL document, the negative impact is considered not important.</p> <p>While on HCV assessment, the threat to RTE species also has been identified and includes:</p> <ul style="list-style-type: none"> - forest and land fire - illegal logging - encroachment - lack of community knowledge - logging of RTE species - hunting of RTE species - forest opening due to the organization's operation - Road construction by the government - Diminished water spring and river buffer zone <p>This is available the table for HCV management plan on page 116-195 of HCV assessment report. The HCV management plan table has included internal and external threats and internal and external mitigations. The mitigations cover management activities to be taken to mitigate the identified threats for each HCV attributes.</p>																					
<p>6.4.3(L): The rare and threatened species* and their habitats* are protected, including through the provision of conservation zones*, protection areas*, connectivity*, and other direct means for their survival and viability, such as species' recovery programs.</p> <p>6.4.3(L): <i>Spesies terancam* dan langka dan habitatnya* dilindungi, termasuk melalui penyediaan zona konservasi*, kawasan lindung*, keterhubungan*, dan cara langsung lainnya untuk menyelamatkan hidup dan kelangsungan hidup mereka, seperti program pemulihan spesies.</i></p>	C	<p>The organization has determined protected areas in their management unit signed by Director of Planning and Resources dated 30 September 2021. Based on the designation, the following is the protected areas in the management unit:</p> <table border="1"> <thead> <tr> <th>Function</th><th>Area (ha)</th><th>%</th></tr> </thead> <tbody> <tr> <td>Buffer zone of Protected Forest</td><td>1,691.95</td><td>1.73</td></tr> <tr> <td>Other Protected Area</td><td>13,786.14</td><td>14.08</td></tr> <tr> <td>Protected Peat Ecosystem</td><td>130.18</td><td>0.13</td></tr> <tr> <td>Cultivation Peat Ecosystem</td><td>98.55</td><td>0.10</td></tr> <tr> <td>River Buffer Zone</td><td>1,387.64</td><td>1.42</td></tr> <tr> <td>Total</td><td>17,094.45</td><td>17.46</td></tr> </tbody> </table> <p>With cultivation peat ecosystem is peat that can be used for cultivation as it is less than 3 m depth, however, the organization decided to designate the area as protected areas.</p>	Function	Area (ha)	%	Buffer zone of Protected Forest	1,691.95	1.73	Other Protected Area	13,786.14	14.08	Protected Peat Ecosystem	130.18	0.13	Cultivation Peat Ecosystem	98.55	0.10	River Buffer Zone	1,387.64	1.42	Total	17,094.45	17.46
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		<p>Other protected areas consist of Germ Plasm Preservation Area (KPPN), Wildlife Conservation Area (DPSL), area with slope of > 40%, wet swamp area, and protected areas with score of > 175 from ANDAL document.</p> <p>The organization found to have done management and monitoring of their protected areas as found from the report on Activity Report on Management and Monitoring of Germ Plasm Preservation Area (KPPN), Wildlife Conservation Area, River Buffer Zone, and HCV Management Area (HCV 3).</p> <p>The management activity includes:</p> <ul style="list-style-type: none"> - Signboard installation - Monitoring of conservation area - Designation of Corridor - Marking of Orangutan Corridor - Installation of Orangutan Signboard - Installation of bear signboard - Socialization to community - River cruising - Enrichment planting <p>The monitoring activity includes flora and fauna analysis.</p>
<p>6.4.4(S): If rare or threatened species or habitats are identified in The Organization*'s forest as per 6.1.1, the management plan includes measures to protect such species or habitats.</p> <p><i>6.4.4(S): Apabila spesies langka atau terancam atau habitat teridentifikasi di kawasan hutan Organisasi* sesuai 6.1.1, rencana pengelolaan memasukkan langkah-langkah untuk melindungi spesies atau habitat tersebut.</i></p>	N/A	<p>The organizations is large scale operation.</p>
<p>6.4.5: The Organization* prevents or mitigates hunting, fishing, trapping and collection of rare or threatened species* within the control of the Management Unit*.</p> <p>Note: Mitigation is included to specifically accommodate for the needs of some of the indigenous people in Indonesia, who are still practicing respective cultural ceremonies.</p> <p><i>6.4.5: Organisasi* mencegah atau mengurangi perburuan, penangkapan ikan, perangkapan, dan pengumpulan spesies terancam* yang berada dalam kendali Unit Manajemen*.</i></p> <p><i>Catatan: Mitigasi dimasukkan untuk mengakomodasi secara khusus kebutuhan sebagian masyarakat adat di Indonesia yang masih menjalankan upacara budaya masing-masing.</i></p>	C	<p>Auditor found that the organization has issued Memorandum No. 011/SAHO/RUB/10/22 dated 1 October 2022 signed by the CEO concerning Protection of Biodiversity. The Memo has prohibited the following activities:</p> <ul style="list-style-type: none"> - Purchasing and/or cooking and/or consuming protected species under the government regulation and RTE species. - Hunting for all employees - Fishing by electrocution, poison, and explosive - To own firearm, air gun, electrocution equipment, spear, arrow and/or equipment that has nothing to do with work

	<ul style="list-style-type: none"> - To own and keep protected flora and fauna - To own and keep pet such as dog and other husbandry such as pig, chicken, duck, bird and other Aves in living area. - To cut and take trees from area designated as conservation area (protected areas and HCV areas) - To use vehicle and/or facility of the organization to hunt - To use Mess or housing of the organization to facilitate hunting <p>Auditor reviews the Procedure on Forest Protection and Security No. WI-HKI-PNR-SOC-1001 and found that for regular patrol for flora and fauna hunting has a stipulation to cooperate with external party for inspection of firearm, air gun and air soft gun in employee housing 2 times a year.</p> <p>The issue of the ownership of firearm, air gun and air soft gun found to have been discuss on Coordination Meeting of the organization on 9 April 2022. Based on review of the document, it discussed 19 issues and the issue ownership of firearm, air gun and air soft gun was discussed on issue number 9 (regarding inspection) and 10 (installation of information board on prohibition/appeal on ownership of firearm in employee housing).</p> <p>To verify the implementation of the procedure, auditor review the following document:</p> <ol style="list-style-type: none"> 1. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on March 2022 2. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT.
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	<p>Hutan Ketapang Industri and around Nature Reserve of Kendawangan on October 2022</p> <p>In both documents, the organization collaborates with Nature Resources Conservation Office of West Kalimantan. Two forest rangers joint the patrol by the organization and the method of the patrol is collect information on the condition of housing, the location of regular patrol and indicative location of illegal activity, coordinate with Police in Kendawangan (Polsek Kendawangan), army in Kendawangan (Koramil Kendawangan) and fire brigade (Manggala Agni). Patrol then conducted by using car and boat on river. The route was on road usually used by community for forest and land burning, encroachment and illegal logging and illegal hunting. The patrol was done as a preventive that include training for perpetrator and repressive for perpetrator with commercial motive and has repetitively done the violation.</p> <p>On the March 2022 document, the joint team conducted patrol on HKI8, HKI 3, HKI 1, HKI 10, HKI 2, HKI 4, HKI 6 and HKI 9 and inspect the employee housing for firearm and air gun, training on each employee in the training to not do hunting, illegal logging, land burning, and illegal fishing. The result is some gun was found and some employee found to kept protected and non-protected wildlife. The gun was then taken by the Police and the owner is recorded. The wildlife in captive was also taken and release in the wild. The team also found illegal logging from community. The team found that the logs was used to repair the community house. The team record the perpetrator identity and inform the perpetrator to not repeat the activity.</p> <p>The team also found community</p>
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		<p>transporting logs by using truck to collector in Air Hitam Village. The truck was found to have 35 processed timbers (beams). The timber was unloaded as evidence and further processed by the police and 3 individuals were given warning letter to not repeat the violation.</p> <p>On the October 2022 report, the activities of the joint team is still the same regarding the training and socialization to employee on hunting, illegal logging, encroachment, etc.</p>
<p>C6.5. Not evaluated in this evaluation</p> <p>C6.6. The Organization* shall* effectively maintain the continued existence of naturally occurring native species* and genotypes*, and prevent losses of biological diversity*, especially through habitat* management in the Management Unit*. The Organization* shall* demonstrate that effective measures are in place to manage and control hunting, fishing, trapping and collecting.</p> <p><i>K.6.6. Organisasi* harus* secara efektif menjaga kelangsungan spesies asli* dan genotipe* yang ada secara alami, dan mencegah hilangnya keanekaragaman hayati*, terutama melalui pengelolaan habitat* di Unit Manajemen*. Organisasi* harus* menunjukkan bahwa langkah-langkah efektif telah diterapkan untuk mengelola dan mengendalikan perburuan, penangkapan ikan, pengebakan dan pengumpulannya.</i></p>	C	
<p>6.6.1: Management activities maintain the plant communities and habitat features* found within native ecosystems* in which the Management Unit* is located.</p> <p><i>6.6.1: Kegiatan pengelolaan memelihara komunitas tumbuhan dan atribut habitat* yang ditemukan dalam ekosistem asli* di mana Unit Manajemen* berada.</i></p>	C	<p>Auditor found that the identification of native ecosystems including plant communities and habitat features has been done by the organization during HCV assessment 2017 with the result available in the HCV Assessment Report in April 2018. Based on review of the document, the native ecosystem identified in the management unit consists of open wetland (swamp) forest, heath (<i>kerangas</i>) forest, mix dipterocarp, peat swamp forest, and riparian ecosystem.</p> <p>The HCV assessment report also provide information on threats towards the identified ecosystem and has provided recommended management and monitoring plan. The management and monitoring plan is available in the assessment document on page 116-255.</p>

	<ul style="list-style-type: none"> - Reforestation in protected zone areas (Buffer zones) that are already open - Collaborative management in one landscape with related stakeholders. - Inventory of populations of species that fall into the Critically Endangered category - Enrichment of species in forest areas which are protected areas for HCVs - Mapping and making remaining forest as a protected area for the preservation of Critically Endangered (CR) such as Orangutan and Gibbon species - Creation of corridors for Orangutans and pangolins. - Areas that are not HCV, which are included in the animal corridor can be used as planting areas by considering the needs of animal feed. - Study of the carrying capacity of Orangutan habitat - Corridor Management for Orangutans by involving various related parties - Road closures that have already been made in HCV areas which are orangutan and pangolin habitat by considering the important function of roads for operational activities - Construction of artificial corridors/bridges in ditches/drainages on closed roads and on road locations in orangutan and pangolin habitat - Mapping and making remaining forest as a protected area for the preservation of species that are in TTD/RTE conditions - In-depth ecological study of the Belangiran association (Shorea balangeran - Rehabilitation of riverbanks and upstream forest with local plants - Mapping of all river channels, both small rivers and large rivers, and re-measuring riverbanks, so that management is more efficient and precise - Ensuring the opening of the area with acacia cover using the checkerboard method so that there is still cover on it - Planting river buffer zone <p>The implementation of these activities has been documented in a report named "<i>Laporan</i></p>
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		<p><i>Pengelolaan dan Pemantauan HCV</i>". Reports in 2019, 2020 and 2021 were available for review.</p> <p>Based on review of the document, auditor found that the report has described the organization's management and monitoring activities such as:</p> <ul style="list-style-type: none"> - Development of HCV management and monitoring plan with third party in 2019 based on General Guidance for HCVRN's HCV Management and Monitoring - Work Area Arrangement synergized with HCV area - Raising awareness of employee and contractor on the importance of HCV - Rehabilitation and enrichment - Designation of wildlife corridor. This is done by during modelling to find habitat suitability for orangutan, honey bear, pangolin. This is based on study and survey result done by the organization in collaboration with various stakeholders such as BKSDA (Natural Resources Conservation Agency), Palung Foundation, and Daemeter. - Marking of wildlife corridor - Installation and Maintenance of HCV Signboard and Installation of Poster on Conservation Information - Monitoring and Management of invasive species - Inspection around employee and contractor living area
<p>6.6.2: Where past management has eliminated plant communities or habitat features*, management activities aimed at restoring such habitats* are implemented.</p> <p>6.6.2: Apabila pengelolaan sebelumnya telah menghilangkan komunitas tumbuhan atau atribut habitat*, maka kegiatan pengelolaan yang bertujuan memulihkan habitat* tersebut diterapkan.</p>	C	<p>Auditor found that the organization has developed habitat restoration plan for 2020-2024 in a report named "<i>Rencana Rehabilitasi Areal Konservasi PT. Hutan Ketapang Industri Periode 2020-2024</i>". Based on this report, the organization has identified area to be restored such as degraded heath (kerangas) forest, ex-mining areas, open hill areas, degraded riparian areas, degraded open wetland (swamp) forest, and rubber plantation.</p> <p>For the rehabilitation, the organization uses native species such as Prepat, Belangeran, Gerunggang, Myrtaceae, Mahang, Puspa, Sungkai and Pulai. During field observation, auditor confirmed the species was planted in the field. The Shorea Belangeran planted for rehabilitation falls under the critically endangered, thus the organization tried to</p>

		<p>plant more the critically endangered species in the management unit to increase the population.</p> <p>The organization also monitor the growth of the rehabilitation plant in a document entitled Monitoring of Enrichment Plant Growth. Based on review of the report, auditor found that the height and diameter of the plant is presented including the pest and diseases for each species planted and its condition (heathy, languid, stressed, and dead).</p> <p>For dead plant, the organization replaced it with a new seedling.</p>
<p>6.6.3: Management maintains, enhances, or restores* habitat features* associated with native ecosystems*, to support the diversity of naturally occurring species and their genetic diversity.</p> <p><i>6.6.3: Kegiatan pengelolaan memelihara, meningkatkan, atau memulihkan* atribut habitat* yang terkait dengan ekosistem asli*, untuk mendukung keanekaragaman spesies yang ada secara alami dan keanekaragaman genetiknya.</i></p>	C	<p>As mentioned in the indicator 6.6.2, the organization restores habitat features by planting native species, including planting critically endangered species: Shorea belangiran.</p> <p>The organization is plantation forest and has done HCV assessment in 2017 with report finalized in 2018. The organization has adopted the assessment report by not constructing plantation forest identified as HCV and natural ecosystem identified in the management unit. This is confirmed through field observation to Kendawangan and Air Hitam Block.</p> <p>During land preparation, the environmental division will check the area to mark the conservation and protected areas thus, helping operator in doing their work efficiently.</p> <p>The organization also found to have activity to control invasive species that encroach conservation area and existing natural ecosystem. The organization uses combination of manual weeding and chemical spraying to eradicate the invasive species.</p> <p>The invasive species was mucuna (<i>Mucuna bracteate</i>) that previously used for cover crops. As the organization found the invasiveness of this species, they have used new species, which is <i>Peraria javanica (PPJ)</i> and <i>Calopogonium mucunoides (CM)</i>. The new species has slower growth and when it is covered with canopy of rubber trees will be easier to control. Thus, reducing threats towards conservation area and remaining natural ecosystem.</p>
6.6.4: Effective measures are taken to manage and control hunting, fishing, trapping and collecting activities to	C	Auditor reviews the Procedure on Forest Protection and Security No. WI-HKI-PNR-SOC-

<p>ensure that naturally occurring native species*, their diversity within species and their natural distribution are maintained.</p> <p><i>6.6.4: Langkah-langkah efektif diambil untuk mengelola dan mengendalikan kegiatan perburuan, penangkapan ikan, pengebakan dan pengumpulan untuk memastikan bahwa spesies asli* yang ada secara alami, keanekaragaman dalam spesies, dan penyebaran alami mereka dipertahankan.</i></p>	<p>1001 and found that for regular patrol for flora and fauna hunting has a stipulation to cooperate with external party for inspection of firearm, air gun and air soft gun in employee housing 2 times a year.</p> <p>To verify the implementation of the procedure, auditor review the following document:</p> <ol style="list-style-type: none"> 1. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on March 2022 2. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on October 2022 <p>In both documents, the organization collaborates with Nature Resources Conservation Office of West Kalimantan. Two forest rangers joint the patrol by the organization and the method of the patrol is collect information on the condition of housing, the location of regular patrol and indicative location of illegal activity, coordinate with Police in Kendawangan (Polsek Kendawangan), army in Kendawangan (Koramil Kendawangan) and fire brigade (Manggala Agni). Patrol then conducted by using car and boat on river. The route was on road usually used by community for forest and land burning, encroachment and illegal logging and illegal hunting. The patrol was done as a preventive that include training for perpetrator and repressive for perpetrator with commercial motive and has repetitively done the violation.</p> <p>On the March 2022 document, the joint team conducted patrol on HKI8, HKI 3, HKI 1, HKI 10, HKI 2, HKI 4, HKI 6 and HKI 9 and inspect the employee housing for firearm and air gun, training on each employee in the training to not do hunting, illegal logging, land burning, and illegal fishing. The result is some gun was found and some employee found to kept protected and non-protected wildlife. The gun was then taken by the Police and the</p>
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		<p>owner is recorded. The wildlife in captive was also taken and release in the wild. The team also found illegal logging from community. The team found that the logs was used to repair the community house. The team record the perpetrator identity and inform the perpetrator to not repeat the activity.</p> <p>The team also found community transporting logs by using truck to collector in Air Hitam Village. The truck found to have 35 processed timbers (beams). The timber was unloaded as evidence and further processed by the police and 3 individual was given warning letter to not repeat the violation.</p> <p>On the October 2022 report, the activities of the joint team are still the same regarding the training and socialization to employee on hunting, illegal logging, encroachment, etc.</p> <p>Based field observation, auditor found that the organization has installed warning/sign boards to prevent illegal hunting, fishing, trapping or collection within the management unit. The Organization also has distributed posters with the information about the HCV area and the protected flora and fauna species in the management unit area. Report of 81 posters distribution to the local communities in Klukup, Sukaria, Air Merah, Sungai Jelayan, Pangkalan Batu, and Air Putih hamlets were reviewed. The posters were placed in strategic places by local communities such as at village office, stores, etc.</p>
<p>6.6.5: Mechanisms for wildlife protection* are in place and are implemented in accordance with applicable national and/or international regulations on protection*, hunting and trade in animal species or parts (trophies).</p> <p><i>6.6.5: Mekanisme untuk perlindungan* satwa liar tersedia dan dilaksanakan sesuai dengan peraturan nasional dan/atau internasional yang berlaku tentang perlindungan*, perburuan dan perdagangan spesies atau bagianbagiannya.</i></p>	C	<p>Auditor found that the organization has issued Memorandum No. 011/SAHO/RUB/10/22 dated 1 October 2022 signed by the CEO concerning Protection of Biodiversity. The Memo has prohibited the following activities:</p> <ul style="list-style-type: none"> - Purchasing and/or cooking and/or consuming protected species under the government regulation and RTE species. - Hunting for all employees - Fishing by electrocution, poison, and explosive - To own firearm, air gun, electrocution equipment, spear, arrow and/or equipment that has nothing to do with work

	<ul style="list-style-type: none"> - To own and keep protected flora and fauna - To own and keep pet such as dog and other husbandry such as pig, chicken, duck, bird and other Aves in living area. - To cut and take trees from area designated as conservation area (protected areas and HCV areas) - To use vehicle and/or facility of the organization to hunt - To use Mess or housing of the organization to facilitate hunting <p>Auditor reviews the Procedure on Forest Protection and Security No. WI-HKI-PNR-SOC-1001 and found that for regular patrol for flora and fauna hunting has a stipulation to cooperate with external party for inspection of firearm, air gun and air soft gun in employee housing 2 times a year.</p> <p>To verify the implementation of the procedure, auditor review the following document:</p> <ol style="list-style-type: none"> 1. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on March 2022 2. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on October 2022 <p>In both documents, the organization collaborates with Nature Resources Conservation Office of West Kalimantan. Two forest rangers joint the patrol by the organization and the method of the patrol is collect information on the condition of housing, the location of regular patrol and indicative location of illegal activity, coordinate with Police in Kendawangan (Polsek Kendawangan), army in Kendawangan (Koramil Kendawangan) and fire brigade (Manggala Agni). Patrol then conducted by using car and boat on river. The route was on road usually used by community for forest and land burning, encroachment and illegal</p>
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		<p>logging and illegal hunting. The patrol was done as a preventive that include training for perpetrator and repressive for perpetrator with commercial motive and has repetitively done the violation.</p> <p>On the March 2022 document, the joint team conducted patrol on HKI8, HKI 3, HKI 1, HKI 10, HKI 2, HKI 4, HKI 6 and HKI 9 and inspect the employee housing for firearm and air gun, training on each employee in the training to not do hunting, illegal logging, land burning, and illegal fishing. The result is some gun was found and some employee found to kept protected and non-protected wildlife. The gun was then taken by the Police and the owner is recorded. The wildlife in captive was also taken and release in the wild. The team also found illegal logging from community. The team found that the logs was used to repair the community house. The team record the perpetrator identity and inform the perpetrator to not repeat the activity.</p> <p>The team also found community transporting logs by using truck to collector in Air Hitam Village. The truck found to have 35 processed timber (beams). The timber was unloaded as evidence and further processed by the police and 3 individual was given warning letter to not repeat the violation.</p> <p>On the October 2022 report, the activities of the joint team is still the same regarding the training and socialization to employee on hunting, illegal logging, encroachment, etc.</p>
<p>6.6.6: An internal regulation is in place banning and punishing illegal transportation of and trade in wildlife and firearms in the facilities and vehicles of The Organization*.</p> <p><i>6.6.6: Terdapat peraturan internal yang melarang dan menghukum pengangkutan ilegal dan perdagangan satwa liar dan penggunaan senjata api dengan fasilitas dan kendaraan Organisasi*.</i></p>	C	<p>Auditor found that the organization has issued Memorandum No. 011/SAHO/RUB/10/22 dated 1 October 2022 signed by the CEO concerning Protection of Biodiversity. The Memo has prohibited the following activities:</p> <ul style="list-style-type: none"> - Purchasing and/or cooking and/or consuming protected species under the government regulation and RTE species. - Hunting for all employees - Fishing by electrocution, poison, and explosive - To own firearm, air gun, electrocution equipment, spear, arrow and/or equipment that has nothing to do with work

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<p>6.6.7: A system of regular and punctual controls is in place to ensure hunting policies are respected.</p> <p>6.6.7: <i>Sistem pengendalian reguler dan tepat waktu tersedia untuk memastikan kebijakan perburuan dipatuhi.</i></p>	C	<p>Auditor found that the organization has issued Memorandum No. 011/SAHO/RUB/10/22 dated 1 October 2022 signed by the CEO concerning Protection of Biodiversity. The Memo has prohibited the following activities:</p>

	<ul style="list-style-type: none"> - Purchasing and/or cooking and/or consuming protected species under the government regulation and RTE species. - Hunting for all employees - Fishing by electrocution, poison, and explosive - To own firearm, air gun, electrocution equipment, spear, arrow and/or equipment that has nothing to do with work - To own and keep protected flora and fauna - To own and keep pet such as dog and other husbandry such as pig, chicken, duck, bird and other Aves in living area. - To cut and take trees from area designated as conservation area (protected areas and HCV areas) - To use vehicle and/or facility of the organization to hunt - To use Mess or housing of the organization to facilitate hunting <p>Auditor reviews the Procedure on Forest Protection and Security No. WI-HKI-PNR-SOC-1001 and found that for regular patrol for flora and fauna hunting has a stipulation to cooperate with external party for inspection of firearm, air gun and air soft gun in employee housing 2 times a year.</p> <p>To verify the implementation of the procedure, auditor review the following document:</p> <ol style="list-style-type: none"> 1. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on March 2022 2. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on October 2022 <p>In both documents, the organization collaborates with Nature Resources Conservation Office of West Kalimantan. Two forest rangers joint the patrol by the organization and the method of the patrol is</p>
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6.6.8: Effective mitigation measures are in place to ensure that workers* conduct hunting, trapping or collecting of wildlife or wild fish for personal consumption only (where needed) and without violation of relevant regulation. Note: the relevant legislation is Minister of Environment and Forestry Regulation	C	<p>Auditor found that the organization has issued Memorandum No. 011/SAHO/RUB/10/22 dated 1 October 2022 signed by the CEO concerning Protection of Biodiversity. The Memo has prohibited the following activities:</p>

<p>No. P.106/MENLHK/SETJEN/KUM.1/12/2018 about The Second Change of The MoEF Regulation No. P.20/MENLHK/SETJEN/KUM.1/6/2018 about Protected Flora and Fauna.</p> <p>6.6.8: Langkah-langkah mitigasi yang efektif tersedia untuk memastikan bahwa pekerja* yang melakukan perburuan, menjebak atau mengumpulkan satwa liar atau ikan liar hanya untuk konsumsi pribadi (jika diperlukan) dan tanpa melanggar peraturan terkait.</p> <p>Catatan: peraturan perundang-undangan yang terkait adalah Peraturan Menteri Lingkungan Hidup dan Kehutanan No. P.106/ MENLHK/SETJEN/ KUM.1/12/2018 tentang Perubahan Kedua atas Permenhut No. P.20/ MENLHK/SETJEN/KUM.1/6/2018 tentang Perlindungan Flora dan Fauna.</p>	<ul style="list-style-type: none"> - Purchasing and/or cooking and/or consuming protected species under the government regulation and RTE species. - Hunting for all employees - Fishing by electrocution, poison, and explosive - To own firearm, air gun, electrocution equipment, spear, arrow and/or equipment that has nothing to do with work - To own and keep protected flora and fauna - To own and keep pet such as dog and other husbandry such as pig, chicken, duck, bird and other Aves in living area. - To cut and take trees from area designated as conservation area (protected areas and HCV areas) - To use vehicle and/or facility of the organization to hunt - To use Mess or housing of the organization to facilitate hunting <p>Auditor reviews the Procedure on Forest Protection and Security No. WI-HKI-PNR-SOC-1001 and found that for regular patrol for flora and fauna hunting has a stipulation to cooperate with external party for inspection of firearm, air gun and air soft gun in employee housing 2 times a year.</p> <p>To verify the implementation of the procedure, auditor review the following document:</p> <ol style="list-style-type: none"> 1. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on March 2022 2. Joint Patrol to prevent forest and land burning, encroachment prevention, illegal logging and hunting in the concession of PT. Hutan Ketapang Industri and around Nature Reserve of Kendawangan on October 2022 <p>In both documents, the organization collaborates with Nature Resources Conservation Office of West Kalimantan. Two forest rangers joint the patrol by the organization and the method of the patrol is</p>
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C6.7. Not evaluated in this evaluation.		
C6.8. Not evaluated in this evaluation.		
C6.9. Not evaluated in this evaluation.		
C6.10. Not evaluated in this evaluation.		
PRINCIPLE 7: MANAGEMENT PLANNING		

<p>The Organization* shall* have a Management Plan* consistent with its policies and objectives* and proportionate to scale, intensity and risks* of its management activities. The Management Plan* shall* be implemented and kept up to date based on monitoring* information in order to promote adaptive management*. The associated planning and procedural documentation shall be sufficient to guide staff, inform affected stakeholders* and interested stakeholders* and to justify management decisions.</p> <p>PRINSIP 7: PERENCANAAN PENGELOLAAN</p> <p><i>Organisasi* harus* memiliki Rencana Manajemen* yang konsisten dengan kebijakan dan tujuan* organisasi dan sebanding dengan skala, intensitas dan risiko* kegiatan pengelolaannya. Rencana Manajemen* harus* diterapkan dan selalu diperbarui berdasarkan informasi pemantauan* agar mendukung manajemen adaptif*. Dokumentasi perencanaan dan prosedur yang terkait harus memadai untuk memandu staf, menginformasikan pemangkukepentingan yang terdampak* dan pemangkukepentingan yang berminat* dan sebagai pertimbangan keputusan manajemen.</i></p>		
C7.1. Not Evaluated in this Evaluation		
C7.2. Not Evaluated in this Evaluation		
C7.3. Not Evaluated in this Evaluation		
C7.4. Not Evaluated in this Evaluation		
C7.5. Not Evaluated in this Evaluation		
<p>C7.6. The Organization* shall*, proportionate to scale, intensity and risk* of management activities, proactively and transparently engage affected stakeholders* in its management planning and monitoring* processes, and shall* engage interested stakeholders* on request.</p> <p><i>K7.6. Organisasi* harus*, sebanding dengan skala, intensitas dan risiko* kegiatan pengelolaan, secara proaktif dan transparan melibatkan pemangkukepentingan yang terdampak* dalam proses perencanaan pengelolaan dan pemantauan*, dan harus* melibatkan Pemangkukepentingan yang berminat* berdasarkan permintaan.</i></p>	C	
<p>7.6.1: Culturally appropriate* engagement* is used to ensure that affected stakeholders* are proactively and transparently engaged in the following processes:</p> <p>1) Dispute* resolution processes (Criterion* 1.6, Criterion* 2.6, Criterion* 4.6);</p> <p>2) Definition of Living wages* (Criterion* 2.4);</p> <p>3) Identification of rights (Criterion* 3.1, Criterion* 4.1), Indigenous cultural landscapes* (Criterion* 3.1), sites (Criterion* 3.5, Criterion* 4.7) and impacts (Criterion* 4.5);</p> <p>4) Local communities'* socio-economic development activities (Criterion* 4.4); and</p> <p>5) High Conservation Value* assessment, management and monitoring (Criterion* 9.1, Criterion* 9.2, Criterion* 9.4).</p> <p><i>7.6.1: Pelibatan* yang sesuai dengan budaya* digunakan untuk memastikan bahwa pemangkukepentingan yang terdampak* terlibat secara proaktif dan transparan dalam proses berikut:</i></p>	C	<p>Based on the document review and interviews with the community and staff, the Organization actively and transparently engages the affected parties in the following process:</p> <p>1. The organization has procedures for dispute resolution, namely SOP Resolusi Konflik No. P-HKI-PNR-SOC-08, dated 31 July 2018. This procedure can be accessed by the public through the company's website. Disputes that occur between organizations and communities are generally related to land. The dispute resolution process is carried out in stages by involving the village government as a mediator. The path of deliberation is always taken to resolve disputes. Labor disputes with local communities are resolved by applicable laws and regulations. The auditor can review the dispute resolution report in the manager's monthly Manager Report report.</p>

<p>1) <i>Proses penyelesaian perselisihan*</i> (Kriteria* 1.6, Kriteria* 2.6, Kriteria* 4.6);</p> <p>2) <i>Definisi Upah hidup layak*</i> (Kriteria* 2.4);</p> <p>3) <i>Identifikasi hak</i> (Kriteria* 3.1, Kriteria* 4.1), <i>lanskap budaya adat*</i> (Kriteria* 3.1), <i>situs</i> (Kriteria* 3.5, Kriteria* 4.7) dan <i>dampak</i> (Kriteria* 4.5);</p> <p>4) <i>Kegiatan pembangunan sosio-ekonomi masyarakat lokal*</i> (Kriteria* 4.4); dan</p> <p>5) <i>Penilaian, pengelolaan dan pemantauan Nilai Konservasi Tinggi*</i> (Kriteria* 9.1, Kriteria* 9.2, Kriteria* 9.4).</p>	<p>2. The organization did not discuss the definition of a decent living wage with the parties. The organization uses the Decree of the Governor of West Kalimantan No. 1462/DISNAKERTRANS/2021 dated 29 November 2021 concerning the 2022 Ketapang District Minimum Wage to set a minimum wage for newly hired employees. The organization conducts periodic evaluations to review employee welfare. The document is the Employee Welfare System, Review, and Evaluation for 2021-2022 (<i>Sistem Kesejahteraan Karyawan, Tinjauan dan Evaluasi tahun 2021-2022</i>)</p> <p>3. The organization has carried out the identification of rights, indigenous cultural landscapes, sites, and impacts including:</p> <ul style="list-style-type: none"> - Community identification and community management in and around the concession. - Assessment of high conservation value, and - Environmental impact analysis (ANDAL) - All of these activities are carried out in collaboration with consultants. Activity reports can be reviewed by the auditor. Based on the reports, it can be concluded that all identification activities have involved villagers, government agencies, non-governmental organizations, and interested parties. Interviews with the community confirmed that they were involved in the identification. <p>4. Based on interviews with the community, it is known that the community is involved in economic development in their area, from planning to implementation. The planning process at the community level is held by community meetings and facilitated by the Organization, which formulates programs that will be proposed to the Organization. In practice, residents become actors in this activity.</p> <p>5. in the High Conservation Values assessment, management, and monitoring, based on the review of the HCV assessment report document, it is known that the local community is a resource person for the presence of HCVs</p>
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		in the organization's work area. The village community is also involved in public consultations. The HCV assessment involves a wider range of stakeholders from government and non-governmental organizations.
<p>7.6.2: Culturally appropriate* engagement* is used to:</p> <ol style="list-style-type: none"> 1) Determine appropriate representatives and contact points (including where appropriate, local institutions, organizations and authorities); 2) Determine mutually agreed communication channels allowing for information to flow in both directions; 3) Ensure all actors (women, youth, elderly, minorities) are represented and engaged equitably; 4) Ensure all meetings, all points discussed and all agreements reached are recorded; 5) Ensure the content of meeting records is approved; and 6) Ensure the results of all culturally appropriate* engagement* activities are shared with those involved. <p>7.6.2: <i>Pelibatan* yang sesuai dengan budaya* digunakan untuk:</i></p> <ol style="list-style-type: none"> 1) Menentukan perwakilan dan nara hubung yang sesuai (termasuk jika memungkinkan, lembaga, organisasi, dan otoritas setempat); 2) Menentukan saluran komunikasi yang disepakati bersama yang memungkinkan informasi dua arah; 3) Memastikan semua aktor (perempuan, pemuda, lanjut usia, minoritas) terwakili dan dilibatkan secara adil; 4) Pastikan semua pertemuan, semua butir pembahasan dan semua kesepakatan yang dicapai dicatat; 5) Memastikan isi catatan rapat disetujui; dan 6) Pastikan hasil dari semua kegiatan dari pelibatan* yang sesuai dengan budaya* dibagikan kepada mereka yang terlibat. 	C	<p>The organization has made an SOP for Communication, Participation, and Consultation P-HKI-PNR-SOC-06 rev. 0 31 July 2018. This SOP regulates mechanisms for communication, participation, and consultation on legal, social, environmental aspect, and systems internally and externally. The organization has appointed a person in charge of communication, participation and communication for each stakeholder area. There are eight persons in charge appointed by Director Letter No. 240/Dir-Ops/HKI 2022 dated 1 October 2022 which will handle communications in 8 regions. The organization has also made a list of stakeholders from the provincial, district, sub-district and village governments. The list contains the name, position, and telephone number, listed in the 2022 Stakeholder Engagement Plan document.</p> <p>Stakeholders may use telephone lines, written letters, or face-to-face meetings to carry out two-way communication. Likewise, if an organization needs information or conveys information, it will use the most effective channel.</p> <p>Direct communication, such as at the RKT outreach meeting, involves members of the public from all walks of life, including youth and women. Based on the review of the 2022 RKT socialization report, the Organization has documented the socialization process to the local community including all matters discussed and agreed upon being recorded, agreements signed by representatives of the Organization and the local community, and a list of attendees.</p>
<p>7.6.3: Affected rights holders* and affected stakeholders* are provided with an opportunity for culturally appropriate* engagement* in monitoring* and planning processes of management activities that affect their interests.</p> <p>7.6.3: <i>Pemegang hak yang terdampak* dan pemangku kepentingan yang terdampak* diberi kesempatan untuk terlibat* yang sesuai dengan</i></p>	C	<p>Based on the document review and employee interviews, the Organization provides opportunities for affected stakeholders in the monitoring and planning process of management activities that affect their interests. The organization has identified stakeholders in community identification and community management activities in and around the concession. The organization</p>

<p><i>budaya* dalam pemantauan* dan proses perencanaan kegiatan pengelolaan yang mempengaruhi kepentingan mereka.</i></p>		<p>carries out the FPIC process before the implementation of the RKT activities by socializing the RKT to communities that may be affected by the activities. If there is an area cultivated by the community, deliberation will be held to release their work in exchange for compassion. However, if it cannot be resolved, the Organization will postpone operations on the land. The community is allowed to monitor the operational implementation of the RKT if there is land to be cultivated. In preparing the HCV management plan, the community is also involved, namely in the implementation of public consultations after the implementation of the assessment. Based on interviews with the community, they are allowed to monitor the condition of the HCV areas that are of interest to them. For example, the people of Hantak hamlet, Air Hitam Hulu village, monitor the condition of the old village in the concession. The auditor has witnessed the condition of the Old village which is not disturbed by the organization's operations.</p>
<p>7.6.4: On request, interested stakeholders* are provided with an opportunity for engagement* in monitoring* and planning processes of management activities that affect their interests.</p> <p>7.6.4: Berdasarkan permintaan, pemangku kepentingan* diberi kesempatan untuk terlibat* dalam pemantauan* dan proses perencanaan kegiatan pengelolaan yang mempengaruhi kepentingan mereka.</p>	C	<p>Based on interviews with social staff, the Organization is very open for stakeholders to be involved in the monitoring and planning process of management activities that affect their interests. For example, in the RKT socialization, the Organization receives input from the community if in the RKT planning there are areas that are still being worked on by residents for the takeover process. In preparing the HCV management plan, involve stakeholders to provide input. The environmental management plan includes institutions involved in monitoring.</p> <p>Based on interviews with the community and staff, so far there has been no written request submitted by the community or stakeholders to the organization to be involved in the monitoring and activity planning process.</p>
<p>PRINCIPLE 8: MONITORING AND ASSESSMENT</p> <p>The Organization* shall* demonstrate that, progress towards achieving the management objectives*, the impacts of management activities and the condition of the Management Unit*, are monitored* and evaluated proportionate to the scale, intensity and risk* of management activities, in order to implement adaptive management*.</p> <p>PRINSIP 8: PEMANTAUAN DAN ASESMEN</p> <p>Organisasi* harus* menunjukkan bahwa, kemajuan dalam mencapai tujuan manajemen*, dampak dari kegiatan pengelolaan dan kondisi Unit Manajemen*, dipantau* dan dievaluasi sebanding dengan skala, intensitas dan risiko* kegiatan pengelolaan, dalam kaitannya dengan penerapan manajemen adaptif*.</p>		

<p>C8.1. The Organization* shall* monitor* the implementation of its Management Plan*, including its policies and management objectives*, its progress with the activities planned, and the achievement of its verifiable targets*.</p> <p><i>K8.1. Organisasi* harus* memantau* pelaksanaan Rencana Manajemen*, termasuk kebijakan dan tujuan manajemen*, kemajuannya dengan kegiatan yang direncanakan, dan pencapaian target yang dapat diverifikasi*.</i></p>	C	
<p>8.1.1: Procedures are documented for monitoring* the implementation of the Management Plan* including its policies and management objectives* and achievement of verifiable targets*.</p> <p><i>8.1.1: Prosedur didokumentasikan untuk memantau* penerapan Rencana Manajemen* termasuk kebijakan dan tujuan manajemennya* dan pencapaian target yang dapat diverifikasi*.</i></p>	C	<p>The monitoring procedures has been developed by the organization that includes:</p> <ul style="list-style-type: none"> - Procedure on Forest Zoning (Penataan Areal Kerja) No. P-HKI-PNR-PLN-05 rev4 dated 20 May 2021 - Procedure for Area Block Planning (Perencanaan Blok Kerja) No P-HKI-PNR-PLN-06 dated 1 August 2018 - Procedure for Water Management No. P-HKI-PNR-PLN-09 rev 1 dated 2 June 2020 - Procedure for Conservation Area Management and Monitoring No. P-HKI-PNR-ENV-01 rev 1 dated 1 May 2020 - Procedure for Erosion Measurement No. P-HKI-PNR-ENV-02 dated 1 October 2016 - Procedure for River Water Monitoring No. P-HKI-PNR-ENV-08 rev 1 dated 1 May 2020 - Procedure for Wildlife Protection and Mitigation No. P-HKI-PNR-CERT-03 rev 1 dated 6 June 2022 - Procedure for Permanent Sample Plot No. P-HKI-PNR-PLN-01 rev 1 dated 28 June 2021 - Procedure for Online Forest Product Administration Permit System rev 1 dated 25 May 2021 - Procedure for Encroachment and Illegal Hunting Mitigation No. P-SAG-HKI-SOC-02 dated 1 April 2016 - Procedure for Forest Protection rev 1 dated 30 October 2020
<p>8.1.2: Procedures are executed for monitoring* the implementation of the Management Plan* including its policies and management objectives* and achievement of verifiable targets*.</p> <p><i>8.1.2: Prosedur dilaksanakan untuk memantau* penerapan Rencana Manajemen* termasuk kebijakan</i></p>	C	<p>Based on document review, the monitoring results of the implementation of the management plan were available to the auditor as verified from the following documents:</p> <ul style="list-style-type: none"> - Work map and block map - Annual Work Plan 2022 on section of previous year implementation

dan tujuan manajemennya* dan pencapaian target yang dapat diverifikasi*.		<ul style="list-style-type: none"> - Management and Monitoring Environmental Plan (RKL and RPL) on Semester 1 on 2022, Semester 1 and 2 2021 that provide information on the organization's environmental management and monitoring developed and sent to Environmental Agency of Ketapang District. - HCV Assessment report 2018 - Report on Flora and Fauna Inventory 2019-2022. - Honey Bear Survey 2017 and 2019 - Activity Report on Management and Monitoring of Germ Plasm Preservation Area (KPPN), Wildlife Conservation Area, River Buffer Zone, and HCV Management Area (HCV 3). - Monthly patrol report 2021 and 2022 - Permanent sample plot report 2020 and 2021 - Production Report and Transport Document 2021 and 2022
C8.2. The Organization* shall* monitor* and evaluate the environmental and social impacts of the activities carried out in the Management Unit*, and changes in its environmental condition. K.8.2. Organisasi* harus* memantau* dan mengevaluasi dampak lingkungan dan sosial dari kegiatan yang dilakukan di Unit Manajemen*, dan perubahan kondisi lingkungannya.	C	
8.2.1(L): The social and environmental impacts of management activities are monitored* consistent with Annex E Part A. 8.2.1(L): Organisasi* harus* memantau* dan mengevaluasi dampak lingkungan dan sosial dari kegiatan yang dilakukan di Unit Manajemen*, dan perubahan kondisi lingkungannya.	C	<p>The organization has environmental impact assessment (ANDAL) that consist of social and environmental aspects. The document identified important impact that need to be mitigated by the organization. Based on the document, the organization developed Environmental Impact Management and Monitoring Plan (RKL and RPL). The plan was reported every semester to the Ketapang District and Central Kalimantan Province Environmental Office.</p> <p>The Organization has also identified negative social, environmental and economic impacts of management activities by conducting the Environmental and Social Impact Assessment (ESIA) in collaboration with a consultant (PT HATFIELD INDONESIA) and has been documented in a report named "Penilaian Dampak Lingkungan dan Sosial (ESIA) untuk PT</p>

	<p><i>Hutan Ketapang Industri, Kalimantan Barat, Indonesia</i>" in December 2018. The document has identified positive and negative impacts of the management activity on the biophysical (air quality, noise, water quality, soil compaction, soil erosion and soil quality), biological (flora and fauna, aquatic biota) and socio-economic impacts (job opportunities, business opportunities, community revenue, increased local workforce capacity, social conflicts, facilities and infrastructure, disease prevalence, community safety, child labor, cultural shifts, occupational safety and health and labor conflict). The report has identified the parties affected by management activities ranging from labor, surrounding communities, indigenous peoples, flora and fauna as well as the abiotic environment in and around the concession area.</p> <p>Based on interview with staff and review of ESIA report, the Organization has involved parties who potentially affected through stakeholder consultation involving village heads, local leaders, women's and youth groups, local NGOs, farmers, and local entrepreneurs from villages around the management unit. This public consultation session is intended to create a common understanding between the company, stakeholders, and the community by providing an open exchange of information and dialogue. An initial public consultation was carried out during the ESIA process. During this consultation, stakeholders were given information about the company's activities, and were asked to express their perceptions and concerns.</p> <p>This document is also complemented by a chapter on mitigation, management recommendations, and recommendations for monitoring negative impacts due to each operational activity.</p> <p>Auditor reviews the Environmental Impact Management and Monitoring Plan for Semester 1 and 2 of 2021 and Semester 1 of 2022. Based on review of the document, the organization has done management and monitoring measure for the following issues that identified as important in the ANDAL document:</p>
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		<ul style="list-style-type: none"> - Decrease of air quality and increase of noise - Increase of soil erosion - Decrease of surface water quality - Increase of job opportunity and business opportunity - Increase of community income - Forest land and forest fire potential - Conflict potential - Community health level
8.2.2(S): The social and environmental impacts of management activities are monitored* consistent with Annex E Part B. <i>8.2.2(S): Dampak sosial dan lingkungan dari kegiatan pengelolaan dipantau* sesuai dengan Lampiran E Bagian B.</i>	N/A	The organization is large scale operation.
8.2.3: Changes in environmental conditions are monitored* consistent with Annex E. <i>8.2.3: Perubahan kondisi lingkungan dipantau* sesuai dengan Lampiran E.</i>	NC	See NC 2022.04
C8.3. The Organization* shall* analyze the results of monitoring* and evaluation and feed the outcomes of this analysis back into the planning process. <i>K8.3. Organisasi* harus* menganalisis hasil pemantauan* dan evaluasi dan menyertakan hasil analisis ini kembali ke dalam proses perencanaan.</i>	C	
8.3.1: Monitoring records are available, complete and up to date to be used for further analysis. <i>8.3.1: Catatan pemantauan tersedia, lengkap dan terkini untuk digunakan dalam analisis lebih lanjut.</i>	C	<p>The organization has record their monitoring activities such as on:</p> <ul style="list-style-type: none"> - 6 monthly environmental management and monitoring report (RKL and RPL) that cover environmental and social impact of the operation based on environmental impact assessment auditor review the report for semester 1 and 2 of 2021 and semester 2 of 2022. - Data collection of key species of fauna such as <ul style="list-style-type: none"> o Report of Study on the Biodiversity of Butterfly Species in Five Forest Types, o Report on Kalimantan Orangutan (<i>Pongo pygmaeus wurmbii</i>) 2022 Population and Biodiversity Survey, o Report on Biodiversity Monitoring, o Report on Wildlife Monitoring - Activity Report on Management and Monitoring of Germ Plasm Preservation

		<p>Area (KPPN), Wildlife Conservation Area, River Buffer Zone, and HCV Management Area (HCV 3)</p> <ul style="list-style-type: none"> - HCV management and monitoring activity report from 2020 and 2021 which includes activities taken by the organization to manage and monitor their HCV such as: <ul style="list-style-type: none"> o Socialization on HCV o Signboard installation o Monitoring and management of invasive species o Vegetation analysis o Wildlife analysis o Critically endangered species inventory o Monitoring of surface water quality o Monitoring of erosion level o Monitoring of river water debit o Monitoring of forest and land fire - Annual Work Plan 2022 on section of previous year implementation - HCV Assessment report 2018 - Report on Flora and Fauna Inventory 2019-2022. - Honey Bear Survey 2017 and 2019 - Monthly patrol report 2021 and 2022 - Permanent sample plot report 2020 and 2021 - Production Report and Transport Document 2021 and 2022 - Water biota monitoring 2022
<p>8.3.2: Adaptive management* procedures are implemented so that monitoring* results feed into periodic updates to the planning process and the resulting Management Plan*.</p> <p>8.3.2: Prosedur manajemen adaptif* diterapkan sehingga hasil pemantauan* disertakan ke dalam pembaharuan berkala dari proses perencanaan dan Rencana Manajemen* yang dihasilkan.</p>	C	<p>Auditor found that the organization has adopt the adaptive management such as replacing <i>Mucuna</i> (<i>Mucuna bracteata</i>) by <i>Peraria javanica</i> (PPI) and <i>Calopogonium mucunoides</i> (CM).</p> <p>The organization uses <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The organization found to have good justification as found from study report entitled : “Kajian Dugaan Spesies <i>Mucuna bracteata</i> sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet” in 2018.</p> <p>The organization also found to have activity to control invasive species that encroach conservation area and existing natural</p>

		<p>ecosystem. The organization uses combination of manual weeding and chemical spraying to eradicate the invasive species. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February 2022.</p> <p>The organization decided to replace it by using <i>Peraria javanica</i> (PPJ) and <i>Calopogonium mucunoides</i> (CM). The new species has slower growth and when it is covered with canopy of rubber trees will be easier to control compared to <i>Mucuna bracteata</i>. Thus, reducing threats towards conservation area and remaining natural ecosystem.</p>
<p>8.3.3 If monitoring* results show non-conformities with the FSC Standard then management objectives*, verifiable targets* and / or management activities are revised.</p> <p>8.3.3: Apabila hasil pemantauan* menunjukkan ketidaksesuaian dengan Standar FSC, maka tujuan manajemen*, target yang dapat diverifikasi* dan/atau kegiatan pengelolaan direvisi.</p>	C	<p>Auditor found that the organization has adopt the adaptive management such as replacing <i>Mucuna</i> (<i>Mucuna bracteata</i>) by <i>Peraria javanica</i> (PPJ) and <i>Calopogonium mucunoides</i> (CM).</p> <p>The organization uses <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The organization found to have good justification as found from study report entitled : “Kajian Dugaan Spesies <i>Mucuna bracteata</i> sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet” in 2018.</p> <p>The organization also found to have activity to control invasive species that encroach conservation area and existing natural ecosystem. The organization uses combination of manual weeding and chemical spraying to eradicate the invasive species. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February 2022.</p> <p>The organization decided to replace it by using <i>Peraria javanica</i> (PPJ) and <i>Calopogonium mucunoides</i> (CM). The new species has slower growth and when it is covered with canopy of rubber trees will be easier to control compared to <i>Mucuna bracteata</i>. Thus, reducing threats towards conservation area and remaining natural ecosystem.</p>

<p>C8.4. The Organization* shall* make publicly available* a summary of the results of monitoring* free of charge, excluding confidential information*.</p> <p>K8.4. Organisasi* harus* menyediakan ringkasan hasil pemantauan* yang tersedia untuk umum* secara Cuma cuma, tidak termasuk informasi rahasia*.</p>	C	
<p>8.4.1(L): A summary of the monitoring* results consistent with part A of Annex E, in a format comprehensible to stakeholders including maps and excluding confidential information* is made publicly available* at no cost.</p> <p>8.4.1(L): Ringkasan hasil pemantauan* yang sesuai dengan bagian A dari Lampiran E, dalam format yang dapat dipahami oleh para pemangku kepentingan termasuk peta namun tidak termasuk informasi rahasia* tersedia untuk umum* secara cuma-cuma.</p>	C	The summary of the monitoring is available in the organization's website: https://hki-indonesia.com/
<p>8.4.2(S): Upon request, The Organization* is able to provide a summary of the monitoring* results, consistent with Annex E (part B), in a format comprehensible to stakeholders, including maps and excluding confidential information, to stakeholders who are directly affected by the forest management activities (e.g. neighbouring landowners).</p> <p>8.4.2: Berdasarkan permintaan, Organisasi* dapat memberikan ringkasan hasil pemantauan*, sesuai dengan Lampiran E (bagian B), dalam format yang dapat dipahami oleh para pemangku kepentingan, termasuk peta namun tidak termasuk informasi rahasia*, kepada pemangku kepentingan yang secara langsung terdampak kegiatan pengelolaan hutan (misalnya tetangga pemilik tanah).</p>	C	The organization is large scale operation.
<p>C8.5. The Organization* shall* have and implement a tracking and tracing system proportionate to scale, intensity and risk* of its management activities, for demonstrating the source and volume in proportion to projected output for each year, of all products from the Management Unit* that are marketed as FSC certified.</p> <p>K8.5. Organisasi* harus* memiliki dan menerapkan sistem pelacakan dan penelusuran yang sebanding dengan skala, intensitas dan risiko* kegiatan pengelolaannya, untuk menunjukkan sumber dan volume sebanding dengan output yang diproyeksikan setiap tahun, dari semua produk dari Unit Manajemen* yang dipasarkan sebagai bersertifikat FSC.</p>	C	
<p>8.5.1: A system is implemented to track and trace all products that are marketed as FSC certified, to the smallest unit.</p> <p>Note: The smallest unit means that a product from:</p> <p>a. Natural forest* is traced back to a stump</p>	C	The Organization has developed procedure entitled Forest Product Administration (Chain of Custody) No. P-HKI-PNR-PLN-010 dated 1 April 2022.

<p>b. Plantation and mangrove natural forest* is traced back to a sub-compartment</p> <p>c. SLIMF/community forest is traced back to a land ID. Tracking and tracing of a NTFP are based on the nature of a product and Best Available Information*.</p> <p><i>8.5.1: Sebuah sistem diterapkan untuk melacak dan menelusuri semua produk yang dipasarkan sebagai bersertifikasi FSC, hingga unit terkecil.</i></p> <p><i>Catatan: Satuan terkecil berarti produk dari:</i></p> <p><i>a. Hutan alam* ditelusuri kembali ke tunggul</i></p> <p><i>b. Hutan tanaman* dan hutan alam* mangrove ditelusuri kembali ke sub-kompartemen</i></p> <p><i>c. SLIMF/hutan masyarakat ditelusuri kembali ke pemilik lahan/identitas kepemilikan lahan. Pelacakan dan penelusuran HHBK didasarkan pada sifat produk dan Informasi Terbaik yang Tersedia*</i></p>	<p>In general, the organization follows shipping documents template provided by ministry of environment and forestry called SKSHHKB. The documents is generated by system and cannot be modified.</p> <p>For tapping purposes, each block will be divided into several work area called "Ancak". The collected latex will be recorded in a desk (TPnG) that serves several blocks. Then the latex transported to TPG which located in the estate base camp. The Organization will then make a production report (LP-HHBK) in the online system required by regulation to make a royalty/ tax payment. Only latex that already paid will be transported to buyer using SKSHHKB.</p> <p>The auditor selected few samples of all documents involved during tapping up to latex transported to buyer. Sampled includes tapping and transport in December 2021, January, April, May, June and August 2022. Based on the review of the record, the auditor concluded that the organization has implement the procedure consistently and the latex are able to track and trace to the block.</p>
<p>8.5.2: As part of implementation of Indicator 8.5.1:</p> <p>1) Transaction verification* is supported by providing sample of FSC transaction* data, as requested by the certification body;</p> <p>2) Fibre testing* is supported by surrendering samples and specimens of materials and information about species composition for verification, as requested by the certification body.</p> <p>Note: Surrendering samples and specimens for fiber testing are subject to following:</p> <p>a. CB (and/or ASI or FSC) provide clear information on the purpose of the fiber testing and/or the specific traceability case.</p> <p>b. CB (and/or ASI or FSC) request the sample and specimen that is relevant/limited to the purpose and/or specific traceability case</p> <p>c. CB (and/or ASI or FSC) could show compliance with the legal requirement of the relevant authority according to Law No. 18/2002 on Material Transfer Agreement.</p> <p>d. CB (and/or ASI or FSC) are responsible for all relevant cost and follow-up process of the fiber testing.</p> <p><i>8.5.2: Sebagai bagian dari implementasi Indikator 8.5.1:</i></p> <p><i>1) Verifikasi Transaksi* didukung dengan pemberian sampel data</i></p>	<p>C</p> <p>Based on interview with management staff, found that they are generally respect all requirements as define on this standard as can be seen on their vision and mission signed by the director. Including when the organization is requested to surrendering samples and specimens for fiber testing as outline in this indicator. By the time being, no request to surrendering samples and specimens for fiber testing received by the organization.</p>

<p>transaksi FSC* sesuai permintaan lembaga sertifikasi (CB);</p> <p>2) Fiber Testing* didukung dengan menyerahkan sampel dan spesimen bahan dan informasi tentang komposisi spesies untuk verifikasi, sesuai permintaan lembaga sertifikasi (CB).</p> <p>catatan:</p> <p>Penyerahan sampel dan spesimen untuk fiber testing* mematuhi pada hal-hal berikut:</p> <p>a) CB (dan/atau ASI atau FSC) memberikan informasi yang jelas tentang tujuan fiber testing* dan/atau kasus penelusuran tertentu.</p> <p>b) CB (dan/atau ASI atau FSC) meminta sampel dan spesimen yang relevan/terbatas pada tujuan dan/atau kasus penelusuran tertentu</p> <p>c) CB (dan/atau ASI atau FSC) dapat menunjukkan kepatuhan terhadap persyaratan hukum dari otoritas terkait sesuai dengan UU No. 18/2002 tentang Perjanjian Pengalihan Material.</p> <p>d) CB (dan/atau ASI atau FSC) bertanggung jawab atas semua biaya yang relevan dan proses tindak lanjut dari fiber testing*.</p>		
<p>8.5.3: Information about all products sold is compiled and documented, including:</p> <ol style="list-style-type: none"> 1) Common and scientific species name; 2) Product name or description; 3) Volume (or quantity) of product; 4) Information to trace the material to the source of origin smallest unit; 5) Harvesting/logging date; 6) If basic processing activities take place in the forest, the date and volume produced; and 7) Whether or not the material was sold as FSC certified. <p>8.5.3: Informasi tentang semua produk yang terjual dikumpulkan dan didokumentasikan, termasuk:</p> <ol style="list-style-type: none"> 1) Nama ilmiah dan nama umum spesies; 2) Nama atau deskripsi produk; 3) Volume (atau kuantitas) produk; 4) Informasi penelusuran materi ke sumber asal unit terkecil; 5) Tanggal panen/penebangan; 6) Jika kegiatan pengolahan primer berlangsung di hutan, tanggal dan volume produksi; dan 7) Apakah bahan tersebut dijual sebagai bersertifikat FSC atau tidak. 	C	<p>The Organization monitor their production and sales through Production Report (LHP) and sales volume monitoring. The auditors are able to access sales compilation documents on those form from 2020 up to October 2022 given the organization is just harvest their latex in 2020 and confirmed that information as requested by the indicator included.</p>
<p>8.5.4: Sales invoices or similar documentation are kept for a minimum of five years for all products sold with an FSC claim, which identify at a minimum, the following information:</p> <ol style="list-style-type: none"> 1) Name and address of purchaser; 2) The date of sale; 	NC	<p>See NC 2022.05</p>

<p>3) Common and scientific species name; 4) Product description; 5) The volume (or quantity) sold; 6) Certificate code; and 7) The FSC Claim "FSC 100%" identifying products sold as FSC certified.</p> <p>8.5.4: <i>Faktur penjualan atau dokumentasi yang serupa disimpan minimal selama lima tahun untuk semua produk yang dijual dengan klaim FSC, yang setidaknya mengidentifikasi informasi berikut:</i></p> <p>1) <i>Nama dan alamat pembeli;</i> 2) <i>Tanggal penjualan;</i> 3) <i>Nama ilmiah dan nama umum spesies;</i> 4) <i>Deskripsi Produk;</i> 5) <i>Volume (atau kuantitas) yang terjual;</i> 6) <i>Kode sertifikat; dan</i> 7) <i>Klaim FSC "FSC 100%" yang mengidentifikasi produk terjual sebagai produk bersertifikat FSC.</i></p>		
<p>PRINCIPLE 9: HIGH CONSERVATION VALUES* The Organization* shall* maintain and/or enhance the High Conservation Values* in the Management Unit* through applying the precautionary approach*.</p> <p>PRINSIP 9: NILAI KONSERVASI TINGGI* Organisasi* harus* mempertahankan dan/atau meningkatkan Nilai Konservasi Tinggi* di Unit Manajemen* melalui penerapan pendekatan kehati-hatian*.</p>		
C9.1. Not evaluated in this evaluation		
C9.2. Not evaluated in this evaluation		
C9.3. Not evaluated in this evaluation		
<p>C9.4. The Organization* shall* demonstrate that periodic monitoring* is carried out to assess changes in the status of High Conservation Values* and shall* adapt its management strategies to ensure their effective protection*. The monitoring* shall* be proportionate to the scale, intensity and risk* of management activities, and shall* include engagement* with affected stakeholders*, interested stakeholders* and experts. Note: Periodic monitoring* of High Conservation Values* must refer to recent High Conservation Value* guidance and/or toolkit.</p> <p><i>K9.4. Organisasi* harus* menunjukkan bahwa pemantauan berkala* dilakukan untuk menilai perubahan dalam status Nilai Konservasi Tinggi* dan harus* menyesuaikan strategi pengelolaannya untuk memastikan perlindungan* yang efektif. Pemantauan* harus* sesuai dengan skala, intensitas dan risiko* kegiatan pengelolaan, dan harus* mencakup pelibatan* dengan pemangku kepentingan yang terdampak*, pemangku kepentingan yang berminat* dan pakar.</i></p>	C	

<p>Catatan: Pemantauan berkala* Nilai Konservasi Tinggi* harus mengacu pada panduan dan/atau Toolkit Nilai Konservasi Tinggi* terkini.</p>		
<p>9.4.1: A program of periodic monitoring* assesses:</p> <ol style="list-style-type: none"> 1) Implementation of strategies; 2) The status of High Conservation Values* including High Conservation Value Areas* on which they depend; and 3) The effectiveness of the management strategies and actions for the protection* of High Conservation Values* to fully maintain and/or enhance the High Conservation Values*. <p>9.4.1: Program pemantauan berkala* menilai:</p> <ol style="list-style-type: none"> 1) Penerapan strategi; 2) Status Nilai Konservasi Tinggi* termasuk Kawasan Bernilai Konservasi Tinggi* yang ada; dan 3) Efektivitas strategi dan tindakan pengelolaan untuk perlindungan* Nilai Konservasi Tinggi* untuk sepenuhnya mempertahankan dan/atau meningkatkan Nilai Konservasi Tinggi*. 	C	<p>The organization has developed HCV Management and Monitoring Plan in 2019 based on HCV assessment result in 2017. Based on review of the document, auditor found that the document has included five main strategy for HCV management:</p> <ol style="list-style-type: none"> 1. Environmentally friendly of harvesting method. 2. Forest protection 3. Restoration and rehabilitation of degraded area. 4. In-situ conservation of protected, rare and threatened species. 5. Collaborative forest management (with government, NGOs, local community, other companies). <p>While, for HCV monitoring, there are four main strategies:</p> <ol style="list-style-type: none"> 1. Thorough HCV area mapping, land cover and land use within and surrounding of FME concession area. 2. Data collection and field survey. 3. Periodic monitoring of HCV attributes 4. Monitoring and evaluations of HCV management activities participatively with stakeholders (i.e. local NGO, local community) <p>The HCV Management and Monitoring Plan has included the monitoring activity, frequency, tools and success indicator for each HCV management activity to assess its implementation.</p> <p>The implementation of HCV management and monitoring is available in the report entitled Report on HCV Management and Monitoring Activities 2019, 2020 and 2021.</p> <p>The organization has also assessed the effectiveness of their management activities in collaboration with HCV expert in Indonesia from IDEAS Consulting. Based on review of communication with the expert, auditor found that the expert has created evaluation document and the input is to add classification of effective, less effective and not effective.</p>

		Auditor reviews the Report of Effectiveness Evaluation of Strategy on HCV Monitoring and Evaluation. The report has included how the organization conducted the evaluation such as		
		Method	Issue	PIC
		Docum ent Review	Rehabil itation of conserv ation area	- Assist ant Enviro nmen t - Facult y of Forest ry of UGM
			Consult ation and cooper ation with externa l party	- SM EHS and Cert - Extern al Relati on
			Particip atory Mappin g and Social Manag ement Plan Docum ent	- Assist ant Social - Techn ical Expert
			Monito ring of Conser vation Area	- Assist ant Social - Field Assist ant - Securi ty
			Analysi s on flora and fauna	- Assist ant Enviro nmen t - Techn ical Expert

			Monitoring of environment quality	- Assistant Environment	2019
			Designation of habitat for CR species	- Assistant Environment - Technical Expert	2019
		Focus Group Discussion	Rehabilitation of conservation area	- Assistant Environment - Faculty of Forestry of UGM	2020
			Invasive Species Management and Monitoring	- Assistant Environment - Field Assistant - Technical Expert	2019-2021
			Mapping of CR species habitat	- Assistant Environment - Technical Expert	2020-2021
			Participatory Mapping and Social Management Plan Docum	- Assistant Social - Technical Expert	2019

			ent		
			Monito ring of Conser vation Knowle dge	- Assist ant Enviro nmen t	2019-2021
			Trainin g and simulat ion	- Assist ant Fire fighte r - SM Extern al Relati on and Fire Fighte r	2019-2021
			Integra ted Patrol	- Assist ant Fire fighte r - SM Extern al Relati on and Fire Fighte r	2019-2021
			Trainin g on HCV 5 and HCV 6	- Assist ant Social - Techn ical Expert	2019
			Monito ring of commu nity that use NTFP and Cultura l Site	- Assist ant Social - Techn ical Expert	2021

		In table 1 of the document, there is result of evaluation of effectivity of strategy for HCV management and table 2 is result of evaluation of effectivity of strategy for HCV monitoring. The table has included evaluation if the activity has been effective, less effective, or not effective. Follow up action has also been provided in case the evaluation is less effective or not effective.
<p>9.4.2: The monitoring* program includes engagement* with affected* rights holders*, affected and interested stakeholders* and experts.</p> <p><i>9.4.2: Program pemantauan* mencakup pelibatan* dengan pemegang hak yang terdampak*, pemangku kepentingan yang terdampak*, pemangku kepentingan yang berminat* dan pakar.</i></p>	C	<p>Based on document review and interview with staff, the monitoring program was developed based on the results of stakeholder consultation. The consultation with stakeholder was done in 30-31 October 2017 in Ketapang City.</p> <p>Based on review of the stakeholder consultation report, auditor found that the organization has includes:</p> <ul style="list-style-type: none"> - Organization and representative of local/indigenous community - Government institution - Company around the management unit - Academician and university - Community organization - NGO - Interest stakeholder <p>The reviewed document found to have also included question and answer session. The session found to have included discussion on the management and monitoring program.</p>
<p>9.4.3: The monitoring* program has sufficient scope, detail and frequency to detect changes in High Conservation Values*, relative to the initial assessment and status identified for each High Conservation Value*.</p> <p><i>9.4.3: Program pemantauan* memiliki cakupan, rincian, dan frekuensi yang memadai untuk mendeteksi perubahan dalam Nilai Konservasi Tinggi*, terkait dengan penilaian awal dan status untuk setiap Nilai Konservasi Tinggi* yang teridentifikasi.</i></p>	C	<p>Auditor found that the organization's HCV assessment report has included recommendation for HCV management and monitoring. However, it has not included the scope and frequency as required by this indicator.</p> <p>Thus, the organization developed separated document entitled HCV Management and Monitoring Plan. Based on review of the document, it has included the recommended management and monitoring activity from the HCV assessment report. The detail HCV management and monitoring plan is available in the table 2 on page 30 – 42. It has included the location of HCV, management activity, frequency of management activity, monitoring activity, monitoring frequency, threshold, success indicator and person in charge.</p>

<p>9.4.4: Management strategies and actions are adapted when monitoring* or other new information shows that these strategies and actions are insufficient to ensure the maintenance and/or enhancement of High Conservation Values*.</p> <p>9.4.4: Strategi dan tindakan pengelolaan diadaptasi ketika pemantauan* atau informasi baru lainnya menunjukkan bahwa strategi dan tindakan tersebut tidak memadai untuk memastikan pemeliharaan dan/atau peningkatan Nilai Konservasi Tinggi*.</p>	C	<p>Auditor found that the organization has adopted the adaptive management such as replacing <i>Mucuna</i> (<i>Mucuna bracteata</i>) by <i>Peraria javanica</i> (PPJ) and <i>Calopogonium mucunoides</i> (CM).</p> <p>The organization uses <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The organization found to have good justification as found from study report entitled : “Kajian Dugaan Spesies <i>Mucuna bracteata</i> sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet” in 2018.</p> <p><i>Mucuna bracteata</i> is potentially classified as an invasive but based on direct experience, the Organization can control the spread of <i>Mucuna bracteata</i> by manually slash it using a machete and chemical. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February 2022.</p> <p>However, the organization decided to replace it by using <i>Peraria javanica</i> (PPJ) and <i>Calopogonium mucunoides</i> (CM). The new species has slower growth and when it is covered with canopy of rubber trees will be easier to control compared to <i>Mucuna bracteata</i>. Thus, reducing threats towards conservation area and remaining natural ecosystem.</p>
<p>PRINCIPLE 10: IMPLEMENTATION OF MANAGEMENT ACTIVITIES</p> <p>Management activities conducted by or for The Organization* for the Management Unit* shall* be selected and implemented consistent with The Organization*'s economic, environmental and social policies and objectives* and in compliance with the Principles* and Criteria* collectively.</p> <p>PRINSIP 10: PENERAPAN KEGIATAN PENGELOLAAN</p> <p>Kegiatan pengelolaan yang dilakukan oleh atau untuk Organisasi* bagi Unit Manajemen* harus* dipilih dan dilaksanakan sesuai dengan kebijakan dan tujuan* ekonomi, lingkungan, dan social Organisasi* dan memenuhi seluruh Prinsip* dan Kriteria*.</p>		
<p>C10.1. After harvest or in accordance with the Management Plan*, The Organization* shall*, by natural or artificial regeneration methods, regenerate vegetation cover in a timely fashion to pre-harvesting or more natural conditions*.</p>	C	

<p>K10.1. Setelah panen atau sesuai dengan Rencana Manajemen*, Organisasi* harus*, dengan metode regenerasi alami atau buatan, melakukan regenerasi tutupan vegetasi secara tepat waktu ke kondisi pra-panen atau kondisi yang lebih alami*.</p>		
<p>10.1.1: Harvested sites are regenerated in a timely manner* that:</p> <ol style="list-style-type: none"> 1) Protects affected environmental values*; and 2) Is suitable to recover overall pre-harvest* or natural forest* composition and structure. <p>10.1.1: Lokasi yang dipanen diregenerasi ulang pada waktu yang tepat* yang:</p> <ol style="list-style-type: none"> 1) Melindungi nilai lingkungan* yang terdampak; dan 2) Sesuai untuk memulihkan komposisi dan struktur pra-panen* atau hutan alam* secara keseluruhan. 	C	<p>The organization main business is to produce latex from rubber tree planted. Currently all planted rubber tree is considered on early stages given the organization just started the tapping around last year. Thus, the harvesting activities doesn't include wood extraction given the rubber tree will be tapped during their productive cycle (more than 20 years). However, the organization has developed procedure to plant their rubber trees (P-HKI-OPR-KRT-05) which includes how their approach to protects environment. The organization uses Mucuna bracteata to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation.</p>
<p>10.1.2: For natural forest* managed for production, the silvicultural and/or other management systems of the Management Unit* are designed to encourage and take advantage of natural regeneration with the following measures:</p> <ol style="list-style-type: none"> 1) Identification of seed trees (commercial and non-commercial); 2) Retention and mapping the seed trees; 3) Timing of harvesting; 4) Design and size of harvesting areas; 5) Short and long term post-harvest treatment of the site; unless data show that enrichment planting will enhance or restore genetic, species or ecosystem diversity. <p>10.1.2: Hutan alam* yang dikelola untuk produksi, sistem silvikultur dan/atau sistem pengelolaan lain dari Unit Manajemen* dirancang untuk mendorong dan memanfaatkan regenerasi alami dengan Langkah langkah berikut:</p> <ol style="list-style-type: none"> 1) Identifikasi pohon benih (komersial dan non-komersial); 2) Menisakan dan memetakan pohon benih; 3) Waktu panen; 4) Rancangan dan ukuran areal panen; 5) Perlakuan pasca panen di lokasi baik jangka pendek dan jangka panjang; <p>Kecuali data menunjukkan bahwa penanaman pengayaan akan meningkatkan atau memulihkan keanekaragaman genetik, spesies atau ekosistem.</p>	NA	<p>The Organization is managing plantation</p>
<p>10.1.3: Regeneration activities* are implemented in a manner that:</p>	C	<p>The organization main business is to produce latex from rubber tree planted. Currently all</p>

<p>1) For harvest of existing plantations*, regenerate to the vegetation cover that existed prior to the harvest or to more natural conditions* using ecologically well-adapted species;</p> <p>2) For harvest of natural forests*, regenerate to pre-harvest* or to more natural conditions*; or</p> <p>3) For harvest of degraded natural forests*, regenerate to more natural conditions*.</p> <p>10.1.3: Kegiatan regenerasi* dilaksanakan dengan cara seperti:</p> <p>1) Untuk panen hutan tanaman*, regenerasi ke tutupan vegetasi yang ada sebelum panen atau ke kondisi yang lebih alami* dengan menggunakan spesies yang beradaptasi dengan baik secara ekologis;</p> <p>2) Untuk panen hutan alam*, regenerasi ke kondisi pra-panen* atau ke kondisi yang lebih alami*; atau</p> <p>3) Untuk memanen hutan alam* yang rusak, regenerasi ke kondisi yang lebih alami*.</p>		<p>planted rubber tree is considered on early stages given the organization just started the tapping around last year. Thus, the harvesting activities doesn't include wood extraction given the rubber tree will be tapped during their productive cycle (more than 20 years). However, the organization has developed procedure to plant their rubber trees (P-HKL-OPR-KRT-05) which includes how their approach to protects environment. The organization uses <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. Based on interview with management staff, in case the rubber tree reach their maximum productive age, the rubber stands will then regenerated by using another rubber tree.</p>
<p>10.1.4: The Organization* implements soil erosion control, including by planting or site preparation in accordance with topography of the site and by following the specifications of buffer zones of water courses. Note: The buffer zones for water courses are specified in Presidential Decree No. 32/1990 about Management of Protected Area; Government Regulation No.26/2008 about National Spatial Planning and Government Regulation No. 38/2011 on River (watercourse).</p> <p>10.1.4: Organisasi* menerapkan pengendalian erosi tanah, termasuk dengan penanaman atau penyiapan lahan sesuai dengan topografi tapak dan dengan mengikuti kriteria zona penyangga sungai.</p> <p>Catatan: Zona penyangga aliran air ditentukan dalam Keputusan Presiden No. 32/1990 tentang Pengelolaan Kawasan Konservasi; Peraturan Pemerintah No. 26 Tahun 2008 tentang Penataan Ruang Nasional dan Peraturan Pemerintah No. 38 Tahun 2011 tentang Sungai (anak sungai).</p>	C	<p>The organization uses cover crop <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The organization found to have good justification as found from study report entitled : "<i>Kajian Dugaan Spesies Mucuna bracteata sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet</i>" in 2018.</p> <p><i>Mucuna bracteata</i> is potentially classified as an invasive but based on direct experience, the Organization can control the spread of <i>Mucuna bracteata</i> by manually slash it using a machete and chemical. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February 2022.</p> <p>However, the organization decided to replace it by using <i>Peraria javanica</i> (PPJ) and <i>Calopogonium mucunoides</i> (CM). The new species has slower growth and when it is covered with canopy of rubber trees will be easier to control compared to <i>Mucuna bracteata</i>. Thus, reducing threats towards conservation area and remaining natural ecosystem.</p>
<p>C10.2. The Organization* shall* use species for regeneration that are ecologically well adapted to the site and to the management objectives*. The</p>	C	

<p>Organization* shall* use native species* and local genotypes* for regeneration, unless there is clear and convincing justification for using others.</p> <p>K10.2. Organisasi* harus* menggunakan spesies untuk regenerasi yang secara ekologis beradaptasi dengan baik di lokasi dan sesuai dengan tujuan manajemen*. Organisasi* harus* menggunakan spesies asli* dan genotype* lokal untuk regenerasi, kecuali ada dasar kebenaran yang jelas dan meyakinkan untuk menggunakan jenis yang lain.</p>		
<p>10.2.1: Species* chosen for regeneration are ecologically well adapted to the site, are native species* and are of local provenance, unless clear and convincing justification is provided for using non-local genotypes* or non-native species*.</p> <p>10.2.1: Spesies* yang dipilih untuk regenerasi secara ekologis beradaptasi dengan baik di lokasi, adalah spesies asli* dan berasal dari lokal, kecuali ada dasar kebenaran yang jelas dan meyakinkan untuk penggunaan genotype* bukan lokal atau bukan spesies asli*.</p>	C	<p>While the main species planted is rubber tree (<i>Hevea brasiliensis</i>), the Organization conducted a study in 2019 in collaboration with Gadjah Mada University to determine native species-based for regeneration in the degraded areas in order to preserve the ecosystem landscape in the management unit. Based on the study results, the Organization was then developed rehabilitation plan for 2020-2024 in a report named “<i>Rencana Rehabilitasi Areal Konservasi PT. Hutan Ketapang Industri Periode 2020-2024</i>”. Based on review of the rehabilitation plan document, species choosen for regeneration in highly degraded sites (ex-mining areas and open hill areas) are fast-growing species such as Mahang, Puspa, and Sungkai. Species choosen for regeneration in the other degraded areas includes heath (kerangas) forest, riparian areas, open wetland (swamp) forest, and rubber plantation restoration areas are Prepat, Belangeran, Gerunggang, Myrtaceae, Mahang, Puspa, Sungkai, and Pulai.</p>
<p>10.2.2: Species chosen for regeneration are consistent with the regeneration objectives* and with the management objectives*.</p> <p>10.2.2: Spesies yang dipilih untuk regenerasi selaras dengan tujuan regenerasi* dan tujuan manajemen*.</p>	C	<p>The selection of species for regeneration are consistent with the regeneration objective, which is to restore the fragmented and degraded areas, and consistent with the management objectives, which is to achieve sustainable forest management that takes into account the economic, social, and environmental aspects in a balanced and sustainable manner that could provide benefits for the local, national and global communities.</p>
<p>C10.3. The Organization* shall* only use alien species* when knowledge and/or experience have shown that any invasive impacts can be controlled and effective mitigation measures are in place.</p> <p>K10.3. Organisasi* seharusnya* hanya menggunakan spesies asing* jika pengetahuan dan/atau pengalaman</p>	C	

<p>telah menunjukkan bahwa setiap dampak invasif dapat dikendalikan dan telah ada langkah-langkah mitigasi yang efektif.</p>		
<p>10.3.1: Alien species* are used only when direct experience and / or the results of scientific research demonstrate that invasive impacts can be controlled.</p> <p>10.3.1: <i>Spesies asing*</i> hanya digunakan jika pengalaman langsung dan/atau hasil penelitian ilmiah menunjukkan bahwa dampak invasif dapat dikendalikan.</p>	C	<p>The main species planted in the management unit is rubber tree (<i>Hevea brasiliensis</i>). Although the species is not native in Indonesia, rubber tree has been introduced to Indonesia during Dutch Colonial and has been adapted to Indonesia's condition and show that it is appropriate to Indonesia.</p> <p>The Organization also planted <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The Organization has justification for using mucuna as cover crop and documented on a study report named "<i>Kajian Dugaan Spesies Mucuna bracteata sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet</i>" in 2018.</p> <p><i>Mucuna bracteata</i> is potentially classified as an invasive but based on direct experience, the Organization can control the spread of <i>Mucuna bracteata</i> by manually slash it using a machete and chemical. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February 2022. This is considered as a conformance.</p>
<p>10.3.2: Alien species* are used only when effective mitigation measures are in place to control their spread outside the area in which they are established.</p> <p>10.3.2: <i>Spesies asing*</i> hanya digunakan jika ada langkah-langkah mitigasi yang efektif untuk mengontrol penyebaran mereka di luar kawasan tempat jenis tersebut ditanam atau dikembangkan.</p>	C	<p>The Organization also planted <i>Mucuna bracteata</i> to cover and shield the soil from weeds or plants, preventing soil erosion, keep the moisture to prevent land fire and providing nitrogen fixation. The Organization has justification for using mucuna as cover crop and documented on a study report named "<i>Kajian Dugaan Spesies Mucuna bracteata sebagai Vegetasi Invasif, Hubungan Antara Erosi dan Spesies Cover Crop di Areal Tanaman Karet</i>" in 2018.</p> <p><i>Mucuna bracteata</i> is potentially classified as an invasive but based on direct experience, the Organization can control the spread of <i>Mucuna bracteata</i> by manually slash it using a machete and chemical. The Organization has conducted monitoring activities to understand the effectiveness of the control measures and already reviewed by expert on 12 February</p>

		<p>2022.</p> <p>Based on interview with relevant staff, to control the spread of <i>Mucuna bracteata</i> and other invasive species like Acacia to outside rubber plantation, the organization conducted regular monitoring to area that has risk for the spread. For example, for plantation area that close to protected area. Monitoring plan and its realization were recorded on the spreadsheet for each estate. The spreadsheet includes management activities that need to be done to control the spread.</p>
<p>10.3.3: Management activities are implemented by The Organization*, preferably in cooperation with separate regulatory bodies where these exist, with an aim to control the invasive impacts of alien species*.</p> <p><i>10.3.3: Kegiatan pengelolaan dilaksanakan oleh Organisasi*, sebaiknya bekerjasama dengan lembaga terkait jika ada, dengan tujuan untuk mengontrol dampak invasif spesies asing*.</i></p>	C	See NC 2022.06
<p>10.3.4: The spread of invasive species* is controlled by The Organization*.</p> <p><i>10.3.4: Penyebaran spesies invasif* dikendalikan oleh Organisasi*.</i></p>	NC	See NC 2022.07
<p>C10.4. The Organization* shall* not use genetically modified organisms* in the Management Unit*.</p> <p><i>K10.4. Organisasi* seharusnya* tidak menggunakan organisme hasil rekayasa genetika* di Unit Manajemen*.</i></p>	C	
<p>10.4.1: The Organization* has written policy that genetically modified organisms* are not used.</p> <p><i>10.4.1: Organisasi* memiliki kebijakan tertulis bahwa organisme hasil rekayasa genetika* tidak digunakan.</i></p>	C	The organization has written policy which includes the requirement of this indicator under Sustainability Forest Management Policy signed by the CEO on 2 September 2021.
<p>10.4.2: Genetically modified organisms* are not used.</p> <p><i>10.4.2: Organisme hasil rekayasa genetika* tidak digunakan.</i></p>	C	There is no indication that the organization use GMO for their operation.
<p>C10.5. The Organization* shall* use silvicultural practices that are ecologically appropriate for the vegetation, species, sites and management objectives*.</p> <p><i>K10.5. Organisasi* harus* menggunakan praktik silvikultur yang secara ekologis sesuai dengan vegetasi, spesies, tapak, dan tujuan manajemen*.</i></p>	C	
<p>10.5.1: Silvicultural practices are implemented that are ecologically appropriate for the vegetation, species, sites and management objectives*.</p>	C	The silvicultural system conducted by the Organization has been included in their 10 years management plan (2017-2026) which is

<p>10.5.1: Praktik silvikultur yang diterapkan secara ekologis sesuai dengan vegetasi, spesies, tapak dan tujuan manajemen*.</p>		<p>clear cut with artificial planting (THPB) in accordance with the Decree of Minister of Environment and Forestry No. SK 357/MenLHK-PHPL/UPH/HPL.1/6/2017 dated on 12 June 2017. The Organization is currently planting on area that have been cleared by previous owner and also consider HCV area identified for their conservation purposes.</p>
<p>C10.6. The Organization* shall* minimize or avoid the use of fertilizers*. When fertilizers* are used, The Organization* shall* demonstrate that use is equally or more ecologically and economically beneficial than use of silvicultural systems that do not require fertilizers, and prevent, mitigate, and/or repair damage to environmental values*, including soils.</p> <p>K10.6. Organisasi* harus* meminimalkan atau menghindari penggunaan pupuk*. Apabila pupuk* digunakan, Organisasi* harus* menunjukkan bahwa penggunaannya sama atau lebih bermanfaat secara ekologis dan ekonomis daripada penggunaan sistem silvikultur yang tidak memerlukan pupuk, serta mencegah, mengurangi, dan/atau memperbaiki kerusakan nilai lingkungan*, termasuk tanah.</p>	C	
<p>10.6.1: The use of fertilizers* is minimized or avoided.</p> <p>10.6.1: Penggunaan pupuk* diminimalkan atau dihindari.</p>	C	<p>Auditor found that the organization has developed Procedure for Fertilizing (No. P-HKI-OPR-KRT-07) that described the procedures of fertilizers application in the rubber plantation, which includes the preparation, implementation and supervision. Based on the document, the planning of fertilizer requirements and fertilizer application are closely monitored to be right on target and in accordance with predetermined doses so that they are not excessive and effectively used. Based on field observation on fertilizer application, auditor found that the planting worker already receive fertilizer in a plastic package for each planting hole while for maintenance, the worker is equipped with a mug to be spread on the trees. The interviewed workers have consistent answer on how many mugs for each trees to be applied.</p> <p>The organization also has document entitled Fertilizer recommendation for each estates. In the general recommendation section, the document has described that fertilizer on productive stands only done on tapped trees. For non-productive and sand area, there is no fertilizer application. Thus, the organization</p>

		<p>has reduced areas to be applied with fertilizer. Based on the organization calculation, this strategy has successfully reduced into 838.635 ton of fertilizer.</p> <p>The organization also has a trial program of sustainable practices in rubber plantation by comparing different treatments of rubber plantation in the research plots. The trial program consists of different treatment for different stages of rubber plantation. The different stages of rubber plantations are as follows:</p> <ol style="list-style-type: none"> 1. Land preparation and planting 2. Initial plant growth (1 year) 3. 2-6 years of plant growth period 4. Harvest preparation period (5-7 years old) 5. Harvest period (6-8 years old) <p>In every stage, there will be different treatments consists of:</p> <ol style="list-style-type: none"> 1. Industrial rubber (intensive maintenance with fertilizers application as recommended) 2. Rubber Agroforestry, treatment 1 (low maintenance, standard fertilizers) 3. Rubber Agroforestry, treatment 2 (low maintenance, low fertilizers) <p>The target of fertilizers application in the Rubber Agroforestry, treatment 2 is 50 % until as low as possible of recommended dose. The trial program has just started this 2021 and no data collected for the moment.</p>
<p>10.6.2: When fertilizers* are used, their ecological and economic benefits are equal to or higher than those of silvicultural systems that do not require fertilizers*.</p> <p><i>10.6.2: Apabila pupuk* digunakan, manfaat ekologi dan ekonominya sama atau lebih tinggi daripada sistem silvikultur yang tidak membutuhkan pupuk*.</i></p>	C	<p>The organization has Report on Supervision of Rubber Plants of PT. Hutan Ketapang Industri developed by Dr. Karyudi and Ir. Istianto, MS. Dr. Karyudi was a Principal Researcher in Plant Cultivation at the Indonesian Plantation Research Center and Ir. Istianto, MS is researcher on Agriculture.</p> <p>Based on review of the report, it was developed based on field visit on 4-8 April 2018 to evaluate and identify plantation condition, growth and production of plant and provide recommendation to improve growth and production of rubber trees in the management unit. The supervision was done through survey covering field observation, collection of secondary and primary data and discussion with employee and management on PT. HKI. The report has overview of the</p>

		<p>current condition of planted trees, stems, rainfall, and productivity.</p> <p>The report provided recommendation such as for tree that does not grow small on shallow hard pan to be replaced with other forestry species that grow well on local soil condition and agroclimatic such as acacia, eucalyptus, Pongamia pinnata, jelutung rawa or other feasible species. As well as type of fertilizer, dose, and disease control. Justification for using fertilizer also available in the report, which is to drive vegetative growth, increase circumference of stem, and enforce growth of root to enable the root to spread to absorb nutrient widely.</p> <p>The organization also has a trial program of sustainable practices in rubber plantation by comparing different treatments of rubber plantation in the research plots. The trial program consists of different treatment for different stages of rubber plantation. The different stages of rubber plantations are as follows:</p> <ol style="list-style-type: none"> 1. Land preparation and planting <ol style="list-style-type: none"> 1. Initial plant growth (1 year) 2. 2-6 years of plant growth period 3. Harvest preparation period (5-7 years old) 4. Harvest period (6-8 years old) <p>In every stage, there will be different treatments consists of:</p> <ol style="list-style-type: none"> 1. Industrial rubber (intensive maintenance with fertilizers application as recommended) 2. Rubber Agroforestry, treatment 1 (low maintenance, standard fertilizers) 3. Rubber Agroforestry, treatment 2 (low maintenance, low fertilizers) <p>The target of fertilizers application in the Rubber Agroforestry, treatment 2 is 50 % until as low as possible of recommended dose.</p> <p>The organization has recorded their use of fertilizer and found that it has reduced from 4,066.31 ton in 2020, 3,084.982 ton in 2021 and 838.625 ton in 2022.</p>
10.6.3: When fertilizers* are used, their types, rates, frequencies and site of application are documented.	C	The organization has record of fertilizer use from 2020, 2021 and 2022. Based on review of

10.6.3: Apabila pupuk* digunakan, jenis, dosis, frekuensi, dan lokasi penggunaanya didokumentasikan.		the record, it has included all required information of this indicator.
<p>10.6.4: When fertilizers* are used, environmental values* are protected, including through implementation of measures to mitigate and prevent damage.</p> <p>10.6.4: Apabila pupuk* digunakan, nilai-nilai lingkungan* dilindungi, termasuk melalui penerapan langkah-langkah untuk mengurangi dan mencegah kerusakan.</p>	C	<p>The organization has developed Procedure for Fertilizing (No. P-HKI-OPR-KRT-07). Based on review of the document, auditor found that the procedure has included stipulation such as:</p> <ol style="list-style-type: none"> 1. Chemicals application is prohibited in the conservation area, riparian zone and directly to the river bodies. 2. Prohibition of dispose and washing the chemicals application tools/equipment in the rivers. 3. Diluted fertilizer should not be used or disposed of outside the designated area. 4. Fertilizer dilution is carried out only in locations that have been determined and marked, 5. Fertilizer application is not allowed when it rains. <p>The organization has also developed Procedure for Management of the Highly Hazardous Material Waste (No. P-HKI-PNR-OHS-02) that found to have included:</p> <ol style="list-style-type: none"> 1. Recording of Highly Hazardous Material (B3) Waste to ensure that all B3 waste produced is not wasted in the concession area, which can pollute the environment. 2. Before being taken out of the FME concession area, B3 waste is temporarily stored in a Temporary Storage (TPS) in a way that has been approved and given license by the government for certain period of time. 3. B3 waste is transported out of the FME concession area in cooperation with B3 waste transporter company that has permit from the government. <p>Based on field observation, auditor confirmed that the fertilizer application worker has follow the stipulation and based on interview with the worker, they understand the above stipulation.</p>
<p>10.6.5: Damage to environmental values* resulting from fertilizer* use is mitigated or repaired.</p> <p>10.6.5: Kerusakan nilai lingkungan* akibat penggunaan pupuk* dikurangi atau diperbaiki.</p>	C	<p>The organization has developed Environmental Management and Monitoring Plan (RKL-RPL) that describe the activity plan for managing and monitoring the FME operational impacts on the environment. Based on review of the document, auditor found that the organization has monitor their</p>

		<p>operational impact on soil and water resources through monitoring of water quality in the upstream and downstream.</p> <p>Auditor reviews the report and found that the organization has monitored their water quality for TSS, TDS, COD, BOD, DO and pH. Based on review of their Environmental Monitoring and Management Report for Semester 1 and 2 of 2021 and Semester 1 2022, all parameter is still below the threshold but DO. From 5 monitoring site, all 5 or 4 are above the threshold. However, based on review of the report, the inlet or upstream of river under monitoring shows that the number is already above threshold. This is due to palm oil plantation that existed in the upstream and downstream of the river inside the organization's management unit. There is no sudden increase in the DO that shows there is no significant impact from the organization's operation.</p>
<p>C10.7. The Organization* shall* use integrated pest management and silviculture* systems which avoid, or aim at eliminating, the use of chemical pesticides*. The Organization* shall* not use any chemical pesticides* prohibited by FSC policy. When pesticides* are used, The Organization* shall* prevent, mitigate, and / or repair damage to environmental values* and human health.</p> <p><i>K10.7: Organisasi* harus* menggunakan pengelolaan hama terpadu dan system silvikultur* yang menghindari, atau bertujuan untuk menghilangkan, penggunaan pestisida* kimia. Organisasi* seharusnya* tidak menggunakan pestisida* kimia yang dilarang oleh kebijakan FSC. Ketika pestisida* digunakan, Organisasi* harus* mencegah, mengurangi, dan/atau memperbaiki kerusakan nilai lingkungan* dan Kesehatan manusia.</i></p>	C	
<p>10.7.1: Integrated pest management, including selection of silviculture* systems, is used to avoid, or aim to eliminate, the frequency, extent and amount of chemical pesticide* applications, and result in non-use or overall reductions in applications.</p> <p>Note: The scope of this Indicator also includes NTFPs.</p> <p><i>10.7.1: Pengelolaan hama terpadu, termasuk pemilihan sistem silvikultur*, digunakan untuk menghindari, atau bertujuan untuk menghilangkan, frekuensi, luas dan jumlah penggunaan pestisida* kimia, sehingga mengakibatkan tidak digunakan atau pengurangan penggunaan secara keseluruhan.</i></p>	C	<p>The Organization has developed Integrated Pest Management (IPM) strategy that is incorporated in the SOP of Pest and Disease of Rubber Tree (No. P-HKI-OPR-EST-38) that includes</p> <ol style="list-style-type: none"> 1) pest and disease types that could attack rubber trees, 2) symptoms or signs of attack on the plants, 3) ways on how the pest and disease to spread and transmit to other plants, 4) treatment on the attacked plants, 5) ways to control and prevent pests and diseases.

<p><i>Catatan: Ruang lingkup Indikator ini juga mencakup HHBK</i></p>		<p>Based on the SOP, the Organization has identified pest that commonly attack rubber tree, including mealy bugs (<i>hama kutu daun</i>), scale insects (<i>kutu perisai</i>), ants, and bores. While for the common diseases are including black stripe, mouldy rot, stem cancer, bark necrosis, pink stem, white root fungi, red root fungi, brown root fungi, pink stem, leaves fall and oidium leaves. Recently, there are new disease called <i>Pestalotiopsis</i> that attack leaves. The pest and disease treatment covers using mechanics and chemicals (herbicides and fungicides).</p> <p>Methods to control and prevent pests and diseases includes planting a variety of resistant clones and seedlings, regular weeding, improvement of field drainage, application of LCC, making isolation trenches between groups of sick plants with the healthy one, rational fertilization and regular pest and disease monitoring on plants from an early age. The organization also regularly monitor pest and disease as can be seen in <i>Pestalotiopsis</i> monitoring dated June 2022. Based on the monitoring report, the auditor found that the organization has developed system to closely monitor the condition based on the latest development in collaboration with expert and rubber community. According to responsible staff interviewed that the disease is generally attack majority of rubber plantation and many experts are now working on how to manage the disease. The organization has tried to control the disease by using fogging of fungicide in trial scale and currently still monitor the result.</p>
<p>10.7.2: Chemical pesticides* prohibited by FSC's Pesticide Policy are not used or stored in the Management Unit* unless FSC has granted derogation.</p> <p><i>10.7.2: Pestisida* kimia yang dilarang oleh Kebijakan Pestisida FSC tidak digunakan atau disimpan di Unit Manajemen* kecuali FSC telah memberikan pengecualian.</i></p>	C	<p>Based on interview with relevant staff and documents review, it is found that the FME has developed a written policy of Sustainable Forest Management that signed by FME CEO on 2 September 2021. The policy stated that one of FME's commitment is avoiding the use of any prohibited chemicals in their operations.</p> <p>The Organization has issued CEO Memorandum No. 003/Memo/ Dir-Opr/V/2017 concerning the use of prohibited chemicals/pesticides dated on 13 May 2017. The Memorandum stated that started from 1</p>

		<p>July 2017, chemicals with the following active ingredients must not be used anymore, namely: 1) Paraquat (prohibited by FSC), 2) Brodifacoum (highly restricted by FSC) and 3) Deltamethrin (highly restricted by FSC).</p> <p>Based on review on the list of chemicals used by FME in 2020 and in 2021 (per June 2021), it is found that there are no chemicals with active ingredient prohibited by FSC. There are chemicals with active ingredient of Isopropylamine Glyphosate and Creosote found in the list that included in the FSC Restricted chemicals.</p> <p>The Organization has prepared ESRA as required by FSC Pesticides Policy (FSC-POL-30-001 V3-0 EN) for Glyphosate and Creosote. The ESRA has been prepared following the template provided in the FSC Pesticides Policy (FSC-POL-30-001 V3-0 EN) document.</p>
<p>10.7.3: Records of pesticide* usage are maintained, including trade name, active ingredient, quantity of active ingredient used, period of use, location and area of use and reason for use.</p> <p><i>10.7.3: Catatan penggunaan pestisida* dipelihara, termasuk nama dagang, bahan aktif, jumlah bahan aktif yang digunakan, periode penggunaan, lokasi dan area penggunaan serta alasan penggunaan.</i></p>	C	<p>Based on interview with staff and documents review, it was found that the organization has recorded chemicals (pesticides and fertilizers) usage, which included trade name, active ingredient, dosage, quantity used, year of the chemical was first used by organization, period of use, location, area of use and reason for use. The organization summarized the use of chemicals annually as can be seen on section 7 of this audit report.</p> <p>Documents reviewed:</p> <ol style="list-style-type: none"> 1. List of chemicals used in PT HKI in 2020 and 2022 (Jan-June).
<p>10.7.4: The use of pesticides* complies with the applicable laws and ILO document "Safety in the use of chemicals at work" regarding requirements for the transport, storage, handling, application and emergency procedures for cleanup following accidental spillages. Note: regulation on safety in the use of chemicals at work is stipulated within: Ministry of Labour Regulation No 187 year 1999 regarding Control of Hazardous Chemicals in the Workplace, and Ministry of Health Regulation No 48 year 2016 about Office Occupational Health and Safety Standards.</p> <p><i>10.7.4: Penggunaan pestisida* sesuai dengan undang-undang yang berlaku dan dokumen ILO tentang "Keselamatan dalam Penggunaan Bahan Kimia di Tempat Kerja" terkait persyaratan untuk pengangkutan,</i></p>	C	<p>Based on interview with staff, documents and observation, it is found that regarding the use of pesticides the organization has:</p> <ol style="list-style-type: none"> 1. Developed Occupational Health and Safety (OHS) Policy dated on 12 January 2018. 2. Committed for not using any prohibited chemicals as stated in their Sustainable Management Forest Policy dated on 2 September 2021. 3. Developed HIRA for activity of weed control, pesticides spraying, fertilizing, handling of highly hazardous chemicals (B3) and management of B3 waste in the storage, which includes determination of

<p><i>penyimpanan, penanganan, penggunaan, dan prosedur darurat untuk pembersihan apabila terjadi tumpahan yang tidak disengaja.</i></p> <p><i>Catatan: Peraturan tentang keselamatan penggunaan bahan kimia di tempat kerja diatur dalam: Peraturan Menteri Tenaga Kerja No 187 tahun 1999 tentang Pengendalian Bahan Kimia Berbahaya di Tempat Kerja, dan Peraturan Menteri Kesehatan No 48 tahun 2016 tentang Standar Kesehatan dan Keselamatan Kerja Kantor.</i></p>	<p>PPEs to be used by the workers to avoid exposure to B3.</p> <ol style="list-style-type: none"> 4. Developed SOP of B3 Handling (No. P-HKI-PNR-OHS-08), which includes procedures of receiving B3 (to ensure there is MSDS, to check the B3 label and symbol, B3 package condition, to compare between purchase order/packing list with the B3 amount received) and emergency procedures. 5. Developed SOP of Work Accident Emergency Response (No. P-HKI-PNR-OHS-11), which describe the procedures of work accident emergency response including work accident that caused by highly hazardous chemicals exposure. 6. Conducted socialization and simulation of emergency response to the workers. 7. Developed Work Instruction (WI) of Use of Rinse House facilities (<i>Penggunaan Fasilitas Rumah Bilas</i>) (No. WI-HKI-PNR-OHS-0002), which covers the procedures of washing the work tools, PPE, work clothes and rinsing and cleaning the body. 8. Developed SOP of Weed Control (<i>Pengendalian Gulma</i>) (No. P-HKI-OPR-EST-35) and SOP of Fertilizing (No. P-HKI-OPR-KRT-07), which covers work procedures to avoid exposure to highly hazardous chemicals (B3). 9. Developed SOP of B3 Waste Management (<i>Pengelolaan Limbah B3</i>) (No. P-HKI-PNR-OHS-02) which covers procedures of B3 waste (LB3) identification, temporary storage of LB3, LB3 packaging, requirements of building for LB3 temporary storage, putting symbols and labels to the LB3 according to their characteristics and types. 10. Provided the LB3 Temporary Storages that have been approved by the authorities. There are three temporary storage buildings in the FME area that divided into three zones. Each zone consists of several adjacent Estates to facilitate LB3 management. 11. Provided Rinse House (<i>Rumah Bilas</i>) in each Estate. <p>Based on interview with supervisors and workers of pesticides spraying and fertilizing and review on video recording of spraying and fertilizing activities, it was verified that the</p>
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		<p>workers used PPEs consisted of helmet, google/faceshield, masker, apron, rubber boots, rubber gloves, trousers and long-sleeved clothes. Inspection of PPE completeness and socialization of MSDS to the workers is conducted by the Supervisor every morning before working. Each Supervisor is equipped with First Aid Kit.</p> <p>The workers have received training on safety work according to the SOP, how to clean the PPEs and work tools in the rinse house, receive extra fooding and medical check up (MCU) periodically (every 3 months). The workers interviewed stated that their activities while working were always under the supervision of the Field Supervisor.</p> <p>Based on interview with the staffs in charge of the B3 and LB3 storages, it was found that organization provided PPEs, fire extinguishers and first aid kit in each storage building. The water used for washing PPE and mixing chemicals is channeled into a special septic tank.</p> <p>This indicator is met.</p>
<p>10.7.5: If pesticides* are used, application methods minimize quantities used, while achieving effective results, and provide effective protection* to surrounding landscapes*.</p> <p><i>10.7.5: Apabila pestisida* digunakan, menerapkan metode meminimalkan jumlah yang digunakan, sekaligus mencapai hasil yang efektif, dan memberikan perlindungan* yang efektif terhadap lanskap* sekitarnya.</i></p>	C	<p>As in the previous audit, the Organization used pesticides for weed control and for pest and disease control. Regarding the use of pesticides, the organization has developed SOP of Weed Control (No. P-HKI-OPR-EST-35) and SOP of Pest and Disease of Rubber Tree (No. P-HKI-OPR-EST-05) that described the conditions in applying pesticides/herbicides, as follows:</p> <ol style="list-style-type: none"> 1. Implementation of the procedures of weed, pest and disease control is to minimize the risk on health and safety of the workers and negative impact to the environment. 2. The application of herbicides must use dosage that has been calibrated according to the herbicide type and recommended dose and adjusted to the target weed. 3. Prohibit the application of pesticides/herbicides near water bodies/watercourses and in protected areas and HCV area. 4. The application of chemicals (pesticides and herbicides) is closely monitored by the Foreman and Assistants to be

		<p>effective and safe for workers and the environment.</p> <ol style="list-style-type: none"> 5. In addition to chemical methods (using pesticides), weed control is also carried out manually to minimize the use of chemicals. 6. To minimize the use of chemicals, pest and disease control and prevention is also carried out by non-chemical methods such as: <ol style="list-style-type: none"> a. Selection of rubber plant seedlings/clones that are more resistant to pests and diseases. b. Regular pest and disease monitoring on young unproductive rubber plants to anticipate pest and disease attack before widely spread. c. Pruning branches that have died due to disease. To reduce the source of infection, the cuttings of the branches are destroyed or burned. d. Carry out mechanical soil cultivation to remove stumps and old forest/rubber plant roots that could become a source of infection on new planted rubber trees. e. Planting land cover crops so that the remnants of the roots in the soil are quickly weathered and destroyed. f. Make isolation trenches between groups of sick plants and the healthy one.
<p>10.7.6: Damage to environmental values* and human health from pesticide* use is prevented and mitigated or repaired where damage occurs.</p> <p><i>10.7.6: Kerusakan terhadap nilai lingkungan* dan kesehatan manusia akibat penggunaan pestisida* dicegah dan dikurangi atau diperbaiki jika terjadi kerusakan.</i></p>	C	<p>The Organization has developed Environmental Management and Monitoring Plan (RKL-RPL) that describe the activity plan for managing and monitoring the organization operational impacts on the environment.</p> <p>Based on the RKL-RPL latest report (semester II 2022, The Organization has implemented the regular impact monitoring of all forest operation including the impacts on soil and water resources and the results of monitoring is documented in the Reports on Implementation of Environmental Monitoring and Management (<i>Laporan Pelaksanaan RKL-RPL</i>) for every semester. The report also included the management activities has been taken to reduce or mitigate the negative impacts from FME operations.</p>

		<p>To prevent and mitigate the damage of pesticides used to the human health, the organization carried out activities, such as:</p> <ol style="list-style-type: none"> 1. Safety induction on handling chemicals to the workers 2. Provide PPEs for workers who handle pesticides based on HIRA 3. Regular MCU for workers handling pesticides 4. Provide Rinse House to clean the work tools, PPEs and bathing for workers after work/pesticides application. 5. Provide medical clinics and paramedics in each Estate to handle work accidents. 6. Developed procedures for emergency response. <p>In addition the organization uses Prima Up with active ingredients Isopropil Amina Glyphosat and TB 192 with active ingredients Creosote 0,3% and both chemicals included in the FSC restricted highly hazardous pesticides (HHP). The Organization has developed Environmental and Social Risk Assessment (ESRA) for both active ingredients. The ESRA includes mitigation that need to be implemented to prevent any negative impacts to exposed values.</p> <p>Documents reviewed:</p> <ol style="list-style-type: none"> 1. Enviromental Management and Monitoring Plan (RKL-RPL) of PT HKI. 2014. 2. Reports on Implementation of Environmental Monitoring and Management (<i>Laporan Pelaksanaan RKL-RPL</i>) of Semester I and II of year 2020 and Semester I of year 2022. 3. ESRA for Glyphosate V2 and for Creosote V3
<p>10.7.7: When pesticides* are used:</p> <ol style="list-style-type: none"> 1) The selected pesticide*, application method, timing and pattern of use offers the least risk to humans and non-target species; and 2) Objective evidence demonstrates that the pesticide* is the only effective, practical and cost-effective way to control the pest. <p>10.7.7: Saat pestisida* digunakan:</p> <ol style="list-style-type: none"> 1) Pestisida* yang dipilih, penerapan metode, waktu dan pola penggunaan menawarkan risiko paling kecil bagi manusia dan spesies bukan sasaran; dan 	C	<p>Based on interview with relevant staff and documents review, regarding the use of pesticides, the organization has taken several measures to ensure the least risk to humans and non-target species and the only effective and practical way to control pest, namely:</p> <ul style="list-style-type: none"> - FME has issued CEO Memorandum No. 003/Memo/ Dir-Opr/V/2017 concerning the use of prohibited chemicals/ pesticides dated on 13 May 2017. The Memorandum stated that started from 1 July 2017, chemicals with the following active

<p>2) <i>Bukti obyektif menunjukkan bahwa pestisida* adalah satusatunya cara yang efektif, praktis dan hemat biaya untuk mengendalikan hama.</i></p>		<p>ingredients must not be used anymore, namely: 1) Paraquat (prohibited by FSC), 2) Brodifacoum (highly restricted by FSC) and 3) Deltamethrin (highly restricted by FSC).</p> <ul style="list-style-type: none"> - Chemicals used by the organization and included in the list of FSC Restricted have been prepared the Environment and Social Risk Assessment (ESRA) for those chemicals in the effort to reduce the impact of their use on humans. - Based on supervision given by rubber plantation experts as the result of their visit in the organization area in July 2018, due to the high mortality rate of rubber plants caused by pests and diseases and other environmental factors, it is recommended that the use of chemicals is still needed to control pests and diseases in rubber plants to reduce the high mortality rate. - Recently the organization also just conducted trial to manage Pestalotiopsis. The organization also regularly monitor pest and disease as can be seen in Pestalotiopsis monitoring dated June 2022. Based on the monitoring report, the auditor found that the organization has developed system to closely monitor the condition based on the latest development in collaboration with expert and rubber community. According to responsible staff interviewed that the disease is generally attack majority of rubber plantation and many experts are now working on how to manage the disease. The organization has tried to control the disease by using fogging of fungicide in trial scale and currently still monitor the result. <p>Documents reviewed:</p> <ol style="list-style-type: none"> 1. Visit Report. Supervision of the Performance of Rubber Plantation of PT HKI. Prepared by Dr Karyudi and Ir Nurhawaty Siagian MS. July 2018. 2. ESRA for Glyphosate V2 and for Creosote V3
<p>C10.8. The Organization* shall* minimize, monitor* and strictly control the use of biological control agents* in accordance with internationally accepted scientific protocols*. When biological control agents* are used, The Organization* shall* prevent, mitigate, and/or repair damage to environmental values*.</p>	C	

<p>K10.8. Organisasi* harus* meminimalkan, memantau* dan secara ketat mengendalikan penggunaan agen pengendali hayati* sesuai dengan protokol ilmiah yang diterima secara internasional*. Ketika agen pengendali hayati* digunakan, Organisasi* harus* mencegah, mengurangi, dan/atau memperbaiki kerusakan pada nilai-nilai lingkungan*.</p>		
<p>10.8.1: The use of biological control agents* is minimized, monitored* and controlled.</p> <p><i>10.8.1: Penggunaan agen pengendali hayati* diminimalkan, dipantau* dan dikendalikan.</i></p>	NA	<p>Based on interview with manager and staff and field observation, there was no biological control agents use in the FMU.</p>
<p>10.8.2: Use of biological control agents* complies with national laws and internationally accepted scientific protocols*.</p> <p>Note: legislation referred to in this indicator, includes; Law No 16, year 1992 about Animal, Fish and Quarantine, Government Regulation No. 6 year 1995 about Plants Protection and No 14, year 2000 about Plants Quarantine.</p> <p><i>10.8.2: Penggunaan agen pengendali hayati* sesuai dengan hukum nasional dan protokol ilmiah yang diterima secara internasional*.</i></p> <p><i>Catatan: peraturan perundang-undangan yang dimaksud dalam indikator ini, meliputi; Undang-undang No. 16 Tahun 1992 tentang Hewan, Ikan dan Karantina, Peraturan Pemerintah No. 6 Tahun 1995 tentang Perlindungan Tumbuhan dan No. 14 Tahun 2000 tentang Karantina Tumbuhan.</i></p>	NA	<p>Based on interview with manager and staff and field observation, there was no biological control agents use in the FMU.</p>
<p>10.8.3: The use of biological control agents* is recorded including type, quantity, period, location and reason for use.</p> <p><i>10.8.3: Penggunaan agen pengendali hayati* dicatat termasuk jenis, jumlah, periode, lokasi, dan alasan penggunaan.</i></p>	NA	<p>Based on interview with manager and staff and field observation, there was no biological control agents use in the FMU.</p>
<p>10.8.4: Damage to environmental values* caused by the use of biological control agents* is prevented and mitigated or repaired where damage occurs.</p> <p><i>10.8.4: Kerusakan terhadap nilai lingkungan* yang disebabkan oleh penggunaan agen pengendali hayati* dicegah dan dikurangi atau diperbaiki jika terjadi kerusakan.</i></p>	NA	<p>Based on interview with manager and staff and field observation, there was no biological control agents use in the FMU.</p>
<p>C10.9. The Organization* shall* assess risks* and implement activities that reduce potential negative impacts from natural hazards* proportionate to scale, intensity, and risk*.</p> <p><i>K10.9. Organisasi* harus* menilai risiko* dan melaksanakan kegiatan yang mengurangi potensi</i></p>	C	

dampak negatif dari bahaya alam* sebanding dengan skala, intensitas, dan risiko*.		
<p>10.9.1: Potential negative impacts of natural hazards* on infrastructure*, forest* resources and communities in the Management Unit* are assessed.</p> <p>Note: Examples of natural hazards* include but are not limited to; fire, flooding, hurricane, landslide, insect/pest outbreak, etc.</p> <p><i>10.9.1: Potensi dampak negatif dari bahaya alam* pada infrastruktur*, sumberdaya hutan* dan masyarakat di Unit Manajemen* dinilai.</i></p> <p><i>Catatan: Contoh bahaya alam* termasuk tetapi tidak terbatas pada; kebakaran, banjir, angin topan, tanah longsor, wabah serangga/hama, dll.</i></p>	C	<p>Based on interview with management staff, the potential natural hazards in the management unit include of fires and insect/pest outbreak. In terms of risk of fire, the organization monitor their area closely by using hotspot monitoring and regular patrol. Works Instruction early warning of forest and land fires (WI-HKI-PNR-SOC-1002), the organization has a system to decide whether their area are within high/ low risk for fire by using few parameters such as rain day, temperature, and human activities. The risk of fire then updated on their fire risk board in each estate as auditor observed. While for pest outbreak, the organization has developed Integrated Pest Management (IPM) strategy that is incorporated in the SOP of Pest and Disease of Rubber Tree (No. P-HKI-OPR-EST-38) Based on the SOP, the Organization has identified pest that commonly attack rubber tree, including mealy bugs (hama kutu daun), scale insects (kutu perisai), ants, and bores. While for the common diseases are including black stripe, mouldy rot, stem cancer, bark necrosis, pink stem, white root fungi, red root fungi, brown root fungi, pink stem, leaves fall and oidium leaves. Recently, there are new disease called Pestalotiopsis that attack leaves. The monitoring of pest and disease also made available for auditors.</p>
<p>10.9.2: Management activities mitigate these impacts.</p> <p><i>10.9.2: Kegiatan pengelolaan mengurangi dampak ini (bahaya alam*).</i></p>	C	<p>The organization has measures to prevent outbreaks of pest and disease by creating (No. P-HKI-OPR-EST-05) for known pest and disease of rubber tree. The organization has SOP forest and land fire that include prevention and fire fighting, SOP for fire patrol (SOP No. WI-SAG-HKI-DRR-0102) and SOP for forest fire alert and emergency response (SOP No. P-HKI-PNR-SOC-005 tentang Kesiagaan dan Tanggap Darurat di Hutan Tanaman Industri).</p> <p>Based on interview with staff and field observation, the organization also have firefighter team, fire monitoring tower, and forest fire truck. The organization has formed 6 fire team with 15 firefighters in 1 team which is in accordance to the requirement of the Minister of Environment and Forestry</p>

		<p>Regulation No. 32 of 2016. There is also regular training on forest and land fire control from the Ministry of Environment and Forestry with the latest attended by the organization' fire fighting team in 20-22 December 2021. All firefighters already have certificates for handling and controlling forest and land fires (Dalkarhutla).</p> <p>The organization also has developed Integrated Pest Management (IPM) strategy that is incorporated in the SOP of Pest and Disease of Rubber Tree (No. P-HKI-OPR-EST-38) Based on the SOP, the Organization has identified pest that commonly attack rubber tree, including mealy bugs (hama kutu daun), scale insects (kutu perisai), ants, and bores. While for the common diseases are including black stripe, mouldy rot, stem cancer, bark necrosis, pink stem, white root fungi, red root fungi, brown root fungi, pink stem, leaves fall and oidium leaves. Recently, there are new disease called Pestalotiopsis that attack leaves. The monitoring of pest and disease also made available for auditors.</p>
<p>10.9.3: The risk* for management activities to increase the frequency, distribution or severity of natural hazards* is identified for those hazards* that may be influenced by management.</p> <p><i>10.9.3: Risiko* kegiatan pengelolaan yang meningkatkan frekuensi, distribusi atau keparahan bahaya alam* diidentifikasi untuk bahaya* yang mungkin dipengaruhi oleh pengelolaan.</i></p>	C	<p>The Organization has aware regarding the risk for management activities to increase the frequency, distribution or severity of natural hazards. As explained above, for forest fire the organization has a system to decide whether their area is within high/ low risk for fire by using few parameters such as rain day, temperature, and human activities. While to control and prevent pests and diseases includes planting a variety of resistant clones and seedlings, regular weeding, improvement of field drainage, application of LCC, making isolation trenches between groups of sick plants with the healthy one, rational fertilization and regular pest and disease monitoring on plants from an early age. The organization also regularly monitor pest and disease as can be seen in Pestalotiopsis monitoring dated June 2022.</p>
<p>10.9.4: Management activities are modified and/or measures are developed and implemented that reduce the identified risks*.</p> <p><i>10.9.4: Kegiatan pengelolaan dimodifikasi dan/atau langkah-langkah dikembangkan dan diterapkan untuk mengurangi risiko* yang teridentifikasi.</i></p>	C	<p>To reduce the identified risk as explained above, the organization has a system to monitor fire risk and decide whether their area is within high/ low risk for fire by using few parameters such as rain day, temperature, and human activities. While to control and prevent pests and diseases includes planting a variety of resistant clones and seedlings, regular</p>

		weeding, improvement of field drainage, application of LCC, making isolation trenches between groups of sick plants with the healthy one, rational fertilization and regular pest and disease monitoring on plants from an early age. The organization also regularly monitor pest and disease as can be seen in Pestalotiopsis monitoring dated June 2022.
<p>C10.10. The Organization* shall* manage infrastructural development, transport activities and silviculture* so that water resources and soils are protected, and disturbance of and damage to rare and threatened species*, habitats*, ecosystems* and landscape values* are prevented, mitigated and/or repaired.</p> <p><i>K10.10. Organisasi* harus* mengelola pembangunan infrastruktur*, kegiatan transportasi dan silvikultur* sehingga sumberdaya air dan tanah terlindungi, dan gangguan dan kerusakan terhadap spesies langka* dan spesies terancam*, habitat*, ekosistem* dan nilai lanskap* dicegah, dikurangi dan/atau diperbaiki.</i></p>	C	
<p>10.10.1: Forest operations with adverse environmental impact (including the development and use of infrastructure* and transport) have written procedures (available to forest managers and supervisors) defining acceptable practices and aiming to protect environmental values* identified in Criterion* 6.1.</p> <p><i>10.10.1: Operasi hutan dengan dampak lingkungan yang merugikan (termasuk pengembangan dan penggunaan infrastruktur* dan transportasi) memiliki prosedur tertulis (tersedia untuk manajer dan penyelia hutan) yang mendefinisikan praktik yang dapat diterima dan bertujuan untuk melindungi nilai-nilai lingkungan* yang teridentifikasi dalam Kriteria* 6.1.</i></p>	C	<p>The Organization has developed a number of written procedures for forest operation that has adverse impact to the environment such as SOP for Road and Bridge Construction (No P-HKI-PNR-PLN-08 dated 7 August 2018) that consider slopes of maximum 10-12% and establishing slide drains to minimize water flow during rainy day and SOP for Land Preparation (No P-HKI-OPR-EST-30 dated 5 September 2018) that prohibit tractors to enter protected areas.</p> <p>The organization also develop The organization has developed procedure under Work Instruction No. WI-HKI-OPR-EST-0601 for latex tapping. On the procedure, the organization provides guidance for the workers to conduct latex tapping including step by step how to tap, health and safety aspects as well as environment protection aspects. The harvesting of latex is conducted manually by using traditional technique. Harvesting process doesn't include timber extraction because the latex can be tapped more than 25 years from each tree. There is also doesn't include any heavy machineries during the tapping.</p> <p>In addition, the organization has regularly reported their environment monitoring as</p>

		mandated on their environment impact assessment. The latest report for semester I 2022 was made available to auditors for review during the audit.
<p>10.10.2: The Organization* implements written procedures developed in accordance with indicator 10.10.1 during planning and operations.</p> <p><i>10.10.2: Organisasi* menerapkan prosedur tertulis yang dikembangkan sesuai dengan indikator 10.10.1 selama perencanaan dan operasi.</i></p>	C	<p>Based on interview with relevant staff and workers, the auditors concluded that the procedures have been implemented during operations and planning.</p> <p>Prior to commencement of land preparation and road construction, the planning division overlaid work maps with the maps of protected areas and then marked the area in the field with red paint. The land preparation then established collection road to prevent the crossing and destruction of the protected area.</p> <p>The auditor also observed that the latex harvesting and extraction using manual tecnic that minimize negative impact to environment.</p>
<p>10.10.3: Policies and procedures for the design and building of new roads include the following norms with respect to protection of water resources, which are implemented:</p> <ol style="list-style-type: none"> 1) Stream crossings are planned before operations begin and shown on relevant maps 2) The number of stream crossings are kept to a minimum 3) Stream crossings are at right angles to the stream 4) Valley bottom roads and tracks are kept as far back from the stream as possible 5) Culverts are designed so they do not obstruct the migration of aquatic species, increase water velocities or render stream beds unsuitable for aquatic species. 6) Drainage structures do not drain into natural watercourses. Where this is unavoidable, regularly emptied silt traps are installed. <p><i>10.10.3: Kebijakan dan prosedur rancangan dan pembangunan jalan baru mencakup norma-norma berikut, sehubungan dengan perlindungan sumberdaya air, yang dilaksanakan:</i></p> <ol style="list-style-type: none"> 1) Penyeberangan sungai direncanakan sebelum operasi dimulai dan ditampilkan pada peta yang relevan 2) Jumlah penyeberangan sungai dijaga seminimal mungkin 3) Penyeberangan sungai berada pada sudut yang tepat ke sungai 4) Jalan dan jalur di dasar lembah dijauhkan dari sungai sejauh mungkin 	C	<p>The Organization has developed SOP for Road and Bridge Construction (No P-HKI-PNR-PLN-08 dated 7 August 2018) that follow norms for soil and water conservation. The procedures meet all the standard norms. Such as the procedure has considered slopes of maximum 10-12% and establishing slide drains to minimize water flow during rainy day.</p>

<p>5) Gorong-gorong dirancang sedemikian rupa sehingga tidak menghalangi migrasi spesies air, meningkatkan kecepatan air atau membuat dasar sungai tidak cocok untuk spesies air.</p> <p>6) Struktur drainase tidak mengalir ke aliran air alami. Jika hal ini tidak dapat dihindari, perangkap lumpur yang dikosongkan secara teratur dipasang.</p>		
<p>10.10.4: Maps and/or work plans are produced at a scale that allows effective supervision of soil and water resource management and protection activities.</p> <p>10.10.4: Peta dan/atau rencana kerja dibuat dalam skala yang memungkinkan pengawasan yang efektif atas kegiatan pengelolaan dan perlindungan sumberdaya tanah dan air.</p>	C	<p>Based on interview with managers and document review, the Organization found to have developed maps for their planning and operation. The maps were made in various scale such as 1:4,000 and 1:3,000 which is considered sufficient for effective supervision of soil and water resource management and protection activities. The maps also have included watercourse, topography, protected areas, and HCV areas. In addition, the organization also included the maps in any relevant staff and workers smartphone so that they can easily access the map during on site including the coordinat position on the map.</p>
<p>10.10.5: The Organization* ensures that site preparation and harvesting techniques are designed to minimise soil compaction and maximise soil nutrients retention on site.</p> <p>10.10.5: Organisasi* memastikan bahwa persiapan tapak dan teknik pemanenan dirancang untuk meminimalkan pepadatan tanah dan memaksimalkan keberadaan hara tanah di lokasi.</p>	C	<p>The organization has developed Land Preparation procedure under <i>Penataan Areal Kerja</i> SOP P-HKI-PNR-PLN05. Based on interview with planning manager, before conducting land preparation, the organization overlapped their work maps with the HCV map and other maps with river riparian networks. The planning department then marked the buffer zone boundary on the ground. Based on interview and field observation, the land preparation team also made a boundary with the riparian zones in the form of collection road to ensure operational activities does not commence in these protected areas.</p> <p>The organization also has developed procedure under Work Instruction No. WI-HKI-OPR-EST-0601 for latex tapping. On the procedure, the organization provides guidance for the workers to conduct latex tapping including step by step how to tap, health and safety aspects as well as environment protection aspects. The harvesting of latex is conducted manually by using traditional technique. Harvesting process doesn't include timber extraction because the latex can be tapped more than 25 years from each tree. There is also doesn't include any heavy machineries during the tapping. Latex extraction from sites using motorcycle and transported to TPnG then transported using</p>

		truck to TPG. Thus, no residual damage nor soil compaction to the harvested block.
<p>10.10.6: Topographic and forest resources maps are prepared before harvesting and road construction occurs at the scale that allows effective supervision for implementation.</p> <p><i>10.10.6: Peta topografi dan sumberdaya hutan disiapkan sebelum penebangan dan pembangunan jalan dilakukan pada skala yang memungkinkan dilakukannya pengawasan yang efektif.</i></p>	C	The Organization has topographic maps for site preparation and road construction. In addition, the organization also included the maps in any relevant staff and workers smartphone so that they can easily access the map during on site including the coordinate position on the map.
<p>10.10.7: Where negative impacts on soil or water resources are identified from actual or previous activities, The Organization* takes immediate action to reduce or eliminate them.</p> <p><i>10.10.7: Apabila dampak negatif pada tanah atau sumberdaya air teridentifikasi dari kegiatan saat ini atau sebelumnya, Organisasi* segera mengambil tindakan untuk mengurangi atau menghilangkannya.</i></p>	C	The Organization has carried out regular impact monitoring of all forest operation including the impacts on soil or water resources and the results of monitoring is documented in the Reports on Environment Monitoring and Management (<i>Laporan Pelaksanaan RKL-RPL</i>). The latest monitoring report was available to the auditor during the audit (semester I 2022). Based on review of the monitoring reports, the report has recommendation section that include the measures to be taken when negative impacts from previous activities was identified.
<p>10.10.8: Disturbance or damages to water courses*, water bodies*, soils, rare and threatened species*, habitats*, ecosystems* and landscape values* are prevented, mitigated and repaired in a timely manner*, and management activities modified to prevent further damage.</p> <p><i>10.10.8: Gangguan atau kerusakan aliran air*, badan air*, tanah, spesies langka* dan terancam*, habitat*, ekosistem* dan nilai lanskap* dicegah, dimitigasi, dan diperbaiki tepat waktu*, dan kegiatan pengelolaan dimodifikasi untuk mencegah kerusakan lebih lanjut.</i></p>	C	The Organization has carried out regular impact monitoring of all forest operation including the impacts on soil or water resources and the result of monitoring is documented in the Reports on Environment Monitoring and Management (<i>Laporan Pelaksanaan RKL-RPL</i>). The latest monitoring report was available to the auditor during the audit (semester I 2022). Based on the report review, it was concluded that in general the operations don't have critical impact that above the allowed values.
<p>C10.11. The Organization* shall* manage activities associated with harvesting and extraction of timber and non-timber forest products* so that environmental values* are conserved, merchantable waste is reduced, and damage to other products and services is avoided.</p> <p><i>K10.11. Organisasi* harus* mengelola kegiatan yang terkait dengan pemanenan dan ekstraksi kayu dan hasil hutan bukan kayu* sehingga nilai lingkungan* terjaga, limbah komersial dapat dikurangi, dan kerusakan terhadap produk dan jasa hutan lainnya dapat dihindari.</i></p>	C	
<p>10.11.1: Harvesting and extraction practices for timber and non-timber forest products* are implemented in a manner that conserves environmental values* as identified in Criterion* 6.1. and High Conservation Values* identified in Criteria* 9.1 and 9.2.</p>	C	The Organization main business is to produce latex from its plantation. The organization has developed procedure under Work Instruction No. WI-HKI-OPR-EST-0601 for latex tapping. On the procedure, the organization provides

10.11.1: Praktik pemanenan dan ekstraksi kayu dan hasil hutan bukan kayu* dilaksanakan dengan cara yang melestarikan nilai lingkungan* seperti yang diidentifikasi dalam Kriteria* 6.1. dan Nilai Konservasi Tinggi* yang teridentifikasi dalam Kriteria* 9.1 dan 9.2.		guidance for the workers to conduct latex tapping including step by step how to tap, health and safety aspects as well as environment protection aspects. The harvesting of latex is conducted manually by using traditional technique. Harvesting process doesn't include timber extraction because the latex can be tapped more than 25 years from each tree. There is also doesn't include any heavy machineries during the tapping. Latex extraction from sites using motorcycle and transported to TPnG then transported using truck to TPG. Thus, no residual damage nor soil compaction to the harvested block.
10.11.2: Harvesting practices optimize the use of forest* products and merchantable materials. 10.11.2: Praktik pemanenan mengoptimalkan pemanfaatan produk-produk hutan* dan produk komersial lainnya.	C	The Organization main business is to produce latex from its plantation. As in above, the organization has developed procedure under Work Instruction No. WI-HKI-OPR-EST-0601 for latex tapping. On the procedure, the organization provides guidance for the workers to conduct latex tapping including step by step how to tap, health and safety aspects as well as environment protection aspects. The harvesting of latex is conducted manually by using traditional technique. The procedure also clearly said that to take the latex in optimum way including the tappers shall take the scrap from the previous tap. In addition, the organization in collaboration with local communities develop honeybee cultivation within the organization area. Based on interview with local communities who involved in the program, they expressed that honeybee collection can increase their income and many communities are now also interested.
10.11.3: Dead and decaying biomass and forest* structure are retained to conserve environmental values*. 10.11.3: Biomassa yang mati dan membusuk serta struktur hutan* dipertahankan untuk melestarikan nilai lingkungan*.	C	The Organization has designated protected area in their FMU. These protected areas are excluded from any land preparation and planting by the Organization, thus the old, non-commercial trees, trees with special ecological value, standing dead trees and dead fallen wood will be retained. Auditor visited several conservation area including in HKI 12, HKI 10 and HKI 1 that is left by the organization as natural.
10.11.4: Harvesting and extraction practices are designed and implemented to avoid damage to standing residual trees and regeneration, and residual woody debris on the ground and other environmental values*.	C	As in above, the Organization main business is to produce latex from its plantation. The organization has developed procedure under Work Instruction No. WI-HKI-OPR-EST-0601 for latex tapping. On the procedure, the

<p>10.11.4: Praktik pemanenan dan ekstraksi dirancang dan dilaksanakan untuk menghindari kerusakan pada tegakan tinggal yang masih berdiri dan anakan, dan sisa kayu mati di tanah dan nilai lingkungan* lainnya.</p>		<p>organization provides guidance for the workers to conduct latex tapping including step by step how to tap, health and safety aspects as well as environment protection aspects. The harvesting of latex is conducted manually by using traditional technique. Harvesting process doesn't include timber extraction because the latex can be tapped more than 25 years from each tree. There is also doesn't include any heavy machineries during the tapping. Latex extraction from sites using motorcycle and transported to TPnG then transported using truck to TPG. Thus, no residual damage nor soil compaction to the harvested block.</p>
<p>10.11.5: Harvesting techniques are designed and implemented, resulting in avoidance of log breakage, and damage to the forest stand and other resources.</p> <p>10.11.5: Teknik pemanenan dirancang dan dijalankan, menghindari kayu pecah, dan kerusakan tegakan hutan dan sumberdaya lainnya.</p>	C	<p>The Organization main business is to produce latex from its plantation. The organization has developed procedure under Work Instruction No. WI-HKI-OPR-EST-0601 for latex tapping. On the procedure, the organization provides guidance for the workers to conduct latex tapping including step by step how to tap, health and safety aspects as well as environment protection aspects. The harvesting of latex is conducted manually by using traditional technique. Harvesting process doesn't include timber extraction because the latex can be tapped more than 25 years from each tree. The tapping needs to use sharp tool and need specific skills so that the trees are not damaged. There is also doesn't include any heavy machineries during the tapping. Latex extraction from sites using motorcycle and transported to TPnG then transported using truck to TPG. Thus, no residual damage nor soil compaction to the harvested block.</p>
<p>10.11.6: Waste generated through harvesting operations including bucking and trimming, on-site processing and extraction is minimized, e.g. by using it to protect soils or skid trails.</p> <p>10.11.6: Limbah yang dihasilkan dari operasi pemanenan termasuk pembagian batang, perapihan batang dan pematangan, pengolahan dan ekstraksi di tapak diminimalkan, misalnya dengan memanfaatkannya untuk melindungi tanah atau jalan sarad.</p>	C	<p>The Organization main business is to produce latex from its plantation. No log extraction at the moment given the age of the tree is considered still in the early stages. The organization has developed procedure under Work Instruction No. WI-HKI-OPR-EST-0601 for latex tapping. On the procedure, the organization provides guidance for the workers to conduct latex tapping including step by step how to tap. The procedure also includes instruction to tapper to take the latex optimally such as scrap (residual latex on the tree from the previous tap) shall be collected so that minimize the latex waste onsite.</p>

10.11.7: Harvested and processed wood and/or other products processed on-site are transported from the forest before any deterioration occurs. <i>10.11.7: Kayu yang dipanen dan diolah dan/atau produk lain yang diolah di lokasi dikeluarkan/diangkut dari hutan sebelum terjadi penurunan kualitas.</i>	NA	There is no processing facility within the organization area. All harvested latex transported to their buyer as latex.
C10.12. The Organization* shall* dispose of waste materials* in an environmentally appropriate manner. <i>K10.12. Organisasi* harus* membuang bahan limbah* dengan cara yang ramah lingkungan.</i>	C	
10.12.1: Collection, clean up, transportation and disposal of all waste materials* is done in an environmentally appropriate way that conserves environmental values* as identified in Criterion* 6.1 and applicable laws listed in Section 3.4 of Annex A. <i>10.12.1: Pengumpulan, pembersihan, pengangkutan dan pembuangan semua bahan limbah* dilakukan dengan cara yang ramah lingkungan yang melindungi nilai-nilai lingkungan* seperti yang diidentifikasi dalam Kriteria* 6.1 dan hukum yang berlaku yang tercantum dalam Bagian 3.4 dari Lampiran A.</i>	NC	See NC 2022.08
10.12.2: The following measures are implemented and conditions provided within workshop areas: 1) Machine guarding; 2) Extraction of fumes; 3) Lighting; 4) Waste storage containers and facilities for off-site disposal or pits for fuel and other waste constructed above the water table with no runoff entering or exiting; 5) Safe area for solid waste disposal. <i>10.12.2: Langkah-langkah berikut dilakukan dan syarat-syarat disediakan di dalam area bengkel: 1) Pengaman mesin; 2) Pembuangan asap; 3) Penerangan; 4) Wadah penyimpanan limbah dan fasilitas untuk pembuangan di luar lokasi atau lubang pembuangan untuk bahan bakar dan limbah lainnya dibangun di atas tinggi muka air tanpa limpasan air masuk atau keluar; 5) Area aman untuk pembuangan limbah padat.</i>	NC	See NC 2022.09
10.12.3: All waste from fuel storage such as oil, oil filters, fuel drums and other such material are recollected for disposal. <i>10.12.3: Semua limbah dari penyimpanan bahan bakar seperti oli, filter oli, drum bahan bakar, dan bahan sejenis lainnya dikumpulkan kembali untuk dibuang.</i>	C	The Organization has obtained License for Temporary Storage of Hazardous and Toxic Material (TPS LB3) in HKI 1 from Investment and Integrated Services Office (<i>Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu</i>) No: 660.1/343/DPMPSTP-D/2020 dated 6 October 2020. Based on interview with staff and document review, all waste

		from fuel storage such as oil, oil filters, and fuel drums are recollected and delivered to the Temporary Storage of Hazardous and Toxic Material at TPS LB3 in HKI 1, 2, and 4. The wastes will then be transported to Banjarmasin through transporter company that already has license from Directorate General of Waste and Hazardous and Toxic Materials Management, Ministry of Environment and Forestry. E-receipt of the waste transportation in 2021 and 2022 were made available to the auditors during the audit.
10.12.4; The Organization* has a documented system/record on all incoming and outgoing waste according to the applicable national regulations listed in Section 3.4 of Annex A. 10.12.4: Organisasi* memiliki sistem dokumentasi/catatan tentang semua limbah yang masuk dan keluar terkait dengan peraturan nasional yang berlaku sebagaimana tercantum dalam Bagian 3.4 dari Lampiran A.	C	Based on interview with staff and document review, the Organization has documented system for collecting and keeping such waste safely, and for safe transportation to the listed locations for disposal that is incorporated in the procedure named Procedure for Management of Hazardous and Toxic Wastes (SOP Pengelolaan Limbah B3) No P-HKI-PNR-OHS-02. The organization also documented the waste collection and storage by using Logbook for Hazardous and Toxic Waste Management (Form No. LB-HKI-PNR-OHS-030001), Form for B3 Waste Handover (Formulir Serah Terima Limbah B3), Form of B3 Waste Balance (Formulir Neraca Limbah B3).
10.12.5: Any on-site burning of non-toxic non-organic or organic solid wastes: 1) complies with any provisions set by the competent authority; and, 2) occurs on sites where adverse impacts of fire, fumes, smoke and ash can be prevented or controlled. 10.12.5: Setiap pembakaran limbah padat non-organik tidak beracun atau limbah padat organik di lokasi: 1) mematuhi ketentuan yang ditetapkan oleh otoritas yang berwenang; dan, 2) dilakukan di lokasi di mana dampak merugikan dari kebakaran, uap, asap dan abu dapat dicegah atau dikendalikan.	C	Based on interview, the Organization prohibited on-site burning of non-toxic non-organic or organic solid wastes within the management unit. The non-toxic non-organic solid wastes that can be utilized are transported to the non-toxic non-organic solid waste collectors, while the organic solid wastes are transported to the final organic waste disposal in each estate.

Appendix 6 – Chain of Custody Indicators for FMEs Conformance Table

☐ Chain of Custody indicators were not evaluated during this evaluation.

REQUIREMENT	C/NC/NA
1. Quality Management	

1.1 The FME shall appoint a management representative as having overall responsibility and authority for the organization's compliance with all applicable requirements of this standard.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC
Evidence 1.1: The Organization as per PUHH Procedure P-HKI-PNR-PLN-10 appointed GM Planning with overall responsibility related chain of custody.	
1.2 A system shall be implemented to track and trace all products that are sold with an FSC Claim from the <i>forest of origin</i> to the <i>forest gate(s)</i> . When legally required, and for group and multiple FMU certificates, this system shall also be documented. <i>The forest of origin should be the smallest reportable manageable unit, such as a tax parcel. It shall never be larger than a Forest Management Unit (FMU).</i> <i>The forest gate is defined as the point where the change in ownership of the certified-forest product occurs.</i>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> NA, FME does not sell any products with an FSC claim
Evidence 1.2: The Organization has developed procedure entitled Forest Product Administration (Chain of Custody) No. P-HKI-PNR-PLN-010 dated 1 April 2022. In general, the organization follows shipping documents template provided by ministry of environment and forestry called SKSHHKB. The documents is generated by system and cannot be modified. For tapping purposes, each block will be divided into several work area called "Ancak". The collected latex will be recorded in a desk (TPnG) that serves several blocks. Then the latex transported to TPG which located in the estate base camp. The Organization will then make a production report (LP-HHBK) in the online system required by regulation to make a royalty/ tax payment. Only latex that already paid will be transported to buyer using SKSHHKB. The auditor selected few samples of all documents involved during tapping up to latex transported to buyer. Sampled includes tapping and transport in December 2021, January, April, May, June and August 2022. Based on the review of the record, the auditor concluded that the organization has implement the procedure consistently and the latex are able to track and trace to the block.	
1.3 The FME shall maintain complete records of all FSC-related COC activities, including sales and training, for at least 5 years.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC
Evidence 1.3: The Organization monitor their production and sales through Production Report (LHP) and sales volume monitoring. The auditors are able to access sales compilation documents on those form from 2020 up to October 2022 given the organization is just harvest their latex in 2020 and confirmed that information as requested by the indicator included. Training record and documentation also made available during the audit.	
1.4 The FME shall define its <i>forest gate(s)</i> (check all that apply):	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC
<input type="checkbox"/> Stump <i>Stumpage sale or sales of standing timber; transfer of ownership of certified-forest product occurs <u>upon</u> harvest.</i>	
<input type="checkbox"/> On-site concentration yard	

<i>Transfer of ownership of certified-product occurs at concentration yard under control of FME.</i>	
<input checked="" type="checkbox"/> Off-site Mill/ Log Yard/ Port <i>Transfer of ownership occurs when certified-product is unloaded or paid for at purchaser's facility or a facility under the purchaser's control.</i>	
<input type="checkbox"/> Auction house/ Brokerage <i>Transfer of ownership occurs at a government-run or private auction house/ brokerage.</i>	
<input type="checkbox"/> Lump-sum sale/ Per Unit/ Pre-Paid Agreement <i>A timber sale in which the buyer and seller agree on a total price for marked standing trees or for trees within a defined area before the wood is removed — the timber is usually paid for before harvesting begins. Similar to a per-unit sale.</i>	
<input type="checkbox"/> Log landing <i>Transfer of ownership of certified-product occurs at landing/yarding areas.</i>	
<input type="checkbox"/> Other (Please describe): 1.5 The FME shall have sufficient control over its <i>forest gate(s)</i> to ensure that there is no risk of mixing of FSC-certified forest products covered by the scope of the FM/COC certificate with forest products from outside of the scope prior to the transfer of ownership.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> NA, FME does not sell any products with an FSC claim
Evidence 1.4/1.5: As mentioned on Forest Product Administration procedure (Chain of Custody) No. P-HKI-PNR-PLN-010 dated 1 April 2022, the organization clearly explained regarding the forest gate. The Forest Gate is defined as purchaser facility. All latex transported are FSC certified. Thus no risk of mixing.	
1.6 The FME and its contractors shall not process FSC-certified material prior to transfer of ownership at the <i>forest gate(s)</i> without conforming to applicable chain of custody requirements. <i>NOTE: This does not apply to log cutting or de-barking units, small portable sawmills, on-site processing of chips/biomass or primary processing of Non-Timber Forest Products (NTFPs) under the FME's control (e.g., latex, rattan, maple syrup, etc.) originating from the FMU under evaluation.</i>	<input type="checkbox"/> C <input type="checkbox"/> NC <input checked="" type="checkbox"/> NA
Evidence 1.6: No processing activities done by the organization	
1.7 The FME has supported transaction verification conducted by SCS and Assurance Services International (ASI) by providing samples of FSC transaction data as requested by SCS. <i>NOTE: Pricing information is not within the scope of transaction verification data disclosure.</i>	<input type="checkbox"/> C <input type="checkbox"/> NC <input checked="" type="checkbox"/> NA, no verification requested
1.8 The FME shall support fiber testing by surrendering samples and specimens of materials and information about species composition and the location where the sample originated for verification, as requested by its certification body, ASI or FSC.	<input type="checkbox"/> C <input type="checkbox"/> NC <input checked="" type="checkbox"/> NA, no verification requested
Evidence 1.7/1.8: Based on interview with management staff, found that they are generally respect all requirements as define on this standard as can be seen on their vision and mission signed by the director. Including when the organization is requested to surrendering samples and specimens for fiber testing as outline in this indicator. By the time being, no request to surrendering simples and specimens for fiber testing received by the organization.	
2. Product Control, Sales and Delivery	

2.1. Products from the certified forest area shall be identifiable as certified at the <i>forest gate(s)</i> .	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> NA, FME does not sell any products with an FSC claim
Evidence 2.1: The Organization has developed procedure entitled Forest Product Administration (Chain of Custody) No. P-HKI-PNR-PLN-010 dated 1 April 2022. In general, the organization follows shipping documents template provided by ministry of environment and forestry called SKSHHBK. The documents is generated by system. Latex transported will be equipped with SKSHHBK and delivery documents. FSC claim included on delivery document.	
2.2 Information about all products sold shall be compiled and documented for all FMUs in the scope of certification, including: 1) Common and scientific species name; 2) Product name or description; 3) Volume (or quantity) of product; 4) Information to trace the material to the source of origin harvest block; 5) Harvest date; 6) If basic processing activities take place in the forest, the date and volume/quantity produced; and 7) Whether or not the material was sold with an FSC Claim.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC
Evidence 2.2: The Organization monitor their production and sales through Production Report (LHP) and sales volume monitoring. The auditors can access sales compilation documents on those form from 2020 up to October 2022 given the organization is just harvest their latex in 2020 and confirmed that information as requested by the indicator included.	
2.3. The FME shall ensure that all sales documents issued for outputs sold with FSC claims include the following information: h) name and contact details of the FME; i) information to identify the customer, such as their name and address; j) date when the document was issued; k) product name or description, including common and scientific species name(s); l) quantity of products sold; m) the FME's FSC Forest Management (FM/COC) or FSC Controlled Wood (CW/FM) code; n) clear indication of the FSC claim for each product item or the total products as follows: i. the claim "FSC 100%" for products from FSC 100% product groups; or ii. the claim "FSC Controlled Wood" for products from FSC Controlled Wood product groups.	<input type="checkbox"/> C <input checked="" type="checkbox"/> NC <input type="checkbox"/> NA, FME does not sell any products with an FSC claim
2.4 If the sales documentation issued by the FME is not included with the shipment of the product and this information is relevant for the customer to identify the product as being FSC certified, the related delivery	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC

<p>documentation has included the same information as required in indicator 2.3 and a reference linking it to the sales documentation.</p> <p>Note: 2.3 and 2.4 are based on FSC-STD-40-004 V3-0 Clauses 5.1 and 5.3</p>	<p><input type="checkbox"/> NA, delivery documentation not required or FME is not responsible for issuing delivery documentation</p> <p><input type="checkbox"/> NA, FME does not sell any products with an FSC claim</p>
<p>Evidence 2.3/2.4:</p> <p>The Organization has developed SOP Rubber P-SAG-HO-ABT-29 which regulates sales, transporter and invoice issuance. Based on interview with relevant staff mentioned that buyer is decided based on price. The decision to select the buyer is decided through meeting between commercial director, Jakarta team and Kendawangan team. However, based on the SOP, buyer decision is only decided by commercial team (point 7.3.3).</p> <p>The auditor also reviews few sampled invoices including the Chain of Custody document up to block during audit and found that the product description is not correct on the invoice. The product description written on the invoice was “Karet” or rubber instead of “Getah Karet” or rubber latex. The invoices also don’t includes all requirement as required by indicators such as no FSC certificate code and species name in scientific. Sample invoices reviewed as below:</p> <ul style="list-style-type: none"> - 011/RUB/IV/HKI/1221 dated 27 December 2021 - 002/RUB/IV/HKI/0122 dated 18 January 2022 - 004/RUB/IV/HKI/0422 dated 19 April 2022 - 016/RUB/IV/HKI/0522 dated 28 May 2022 - 020/RUB/IV/HKI/0622 dated 17 June 2022 - 037/RUB/IV/HKI/0822 dated 20 August 2022 <p>Based on above findings, the auditor concluded to issue minor CAR. See CAR 2022.10</p>	
<p>2.5 If the FME is unable to include the FSC claim and/or certificate code in sales or delivery documents, the required information has been provided to the customer through supplementary documentation (e.g. supplementary letters). In this case, the FME has obtained permission from SCS to implement supplementary documentation in accordance with the following criteria:</p> <ol style="list-style-type: none"> a. there shall exist clear information linking the supplementary documentation to the sales or delivery documents; b. there is no risk that the customer will misinterpret which products are or are not FSC certified in the supplementary documentation; and c. where the sales documents contain multiple products with different FSC claims, each product shall be cross-referenced to the associated FSC claim provided in the supplementary documentation. 	<p><input type="checkbox"/> C</p> <p><input type="checkbox"/> NC</p> <p><input checked="" type="checkbox"/> NA, all information included per 2.3 and/or 2.4</p>

Evidence 2.5:	
<p>2.6 The FME may identify products exclusively made of input materials from small or community producers by adding the following claim to sales documents: "From small or community forest producers." This claim can be passed on along the supply chain by certificate holders.</p> <p><i>A forest management unit (FMU) or group of FMUs that meet(s) the small and low-intensity managed forest eligibility criteria (FSC-STD-1-003a) and addenda. A community FMU must comply with the tenure and management criteria defined in FSC-STD-40-004.</i></p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input checked="" type="checkbox"/> NA, not a small or community producer; or does not wish to pass along this claim
Evidence 2.6:	
3. Labeling and Promotion	
<input type="checkbox"/> NA – FME does not use/ intend to use trademarks and no trademark uses were detected during the audit.	
<input type="checkbox"/> NA – CW/FM certificates are not allowed to use FSC trademarks and no trademark uses were detected during the audit (Note: it is a Major nonconformity to 3.1 if CW/FM certificates are found to be using trademarks).	
3.1 The FME shall adhere to relevant trademark use requirements of FSC-STD-50-001 described in the <i>SCS Trademark Annex for FMEs</i> .	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC
<p>Evidence 3.1: Refer to evidence and findings cited in applicable trademark checklist(s) cited below.</p> <p><input type="checkbox"/> FSC trademark use was detected for a CW/FM certificate as described in Major CAR for 3.1, FSC-STD-30-010, Annex 3, 1.2, and FSC-STD-50-001, 2.1e and 11.2:</p>	
4. Outsourcing	
<input checked="" type="checkbox"/> NA – FME does not outsource any COC-related activities, as confirmed via interviews, sales documentation, and field observation.	
<input type="checkbox"/> NA – FME outsources low-risk activities such as transport and harvesting, as confirmed via interviews, sales documentation, and field observation.	
4.1 The FME shall provide the names and contact details of all outsourced service providers.	<input type="checkbox"/> C <input type="checkbox"/> NC
<p>4.2 The FME shall have a control system for the outsourced process and agreement which ensures that:</p> <p>a) The material used for the production of FSC-certified material is traceable and not mixed with any other material prior to the point of transfer of legal ownership;</p> <p>b) The outsourcer keeps records of FSC-certified material covered under the outsourcing agreement;</p> <p>c) The FME issues the final invoice for the processed or produced FSC-certified material following outsourcing;</p> <p>d) The outsourcer only uses FSC trademarks on products covered by the scope of the outsourcing agreement and not for promotional use;</p> <p>e) The outsourcer does not further outsource the material; and</p> <p>f) The outsourcer accepts the right of the certificate body to audit them.</p>	<input type="checkbox"/> C <input type="checkbox"/> NC
Evidence 4.1/4.2:	
5. Training and/or Communication Strategies/	
5.1 All relevant FME staff and outsourcers shall be trained in the FME's COC control system commensurate with the scale and intensity of operations and	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC

shall demonstrate competence in implementing the FME's COC control system.	
5.2 The FME shall maintain up-to-date records of its COC training and/or communications program, such as a list of trained employees, completed COC trainings or communications, the intended frequency of COC training (e.g., training plan), and related program materials (e.g., presentations, memos, contracts, employee handbooks, etc.).	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC
Evidence 5.1/5.2: The Organization has several training program internally and externally. The training for internal are all recorded in Planning and Realization Training Learning Center PT HKI. The training record were available and auditor sampled training record in the last 2 years.	

Appendix 7 – Trademark Standard Conformance Table

<input type="checkbox"/> NA, does not use/intend to use FSC trademarks for any purposes; or <input type="checkbox"/> NA, is fully integrated and all trademark uses are treated under the COC Annex to this report that includes a full review of FSC-STD-40-004 and FSC-STD-50-001. <i>(finished with this section; all TM checklists may be deleted)</i> <i>Note: in case of requests for interpretation, the English version of these indicators shall be preferred.</i>
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Forest Management Trademark CARs Chart/ Certificate Type	Audit Type – Grade
<i>Since trademark use is a minor aspect of FM audits, most nonconformances result in Minor CARs outside of the exceptions noted in this table. In the cases of integrated operations (i.e., operations with both FM/COC and COC certificates), timelines assigned for Minor CARs may be aligned with nonconformities of the COC certificate (e.g., Minor CAR with deadline of 3 or 6 months). SCS national offices/affiliates may take local considerations (e.g., legal framework) into account to assign CAR grades.</i>	
FM/COC or FM (Single/Multiple FMU)	Main Evaluation – Major if detected prior to certificate issuance
	Re-Evaluation/ Surveillance – Major if certificate is not valid (e.g., suspended)
CW/FM (Single/Multiple/Group)	All – Major per 3.1 of SCS COC Indicators for FMEs
Annex A – TM Management System (TMMS)	All – Major if TMMS not approved by SCS or SCS affiliate
Annex B – Group	Main Evaluation – Major
	Re-Evaluation/ Surveillance – Major or Minor depending on the scale/scope

1. General Requirements for Use of the FSC Trademarks (FSC “checkmark-and-tree” logo, initials “FSC,” and/or name “Forest Stewardship Council”)		
Trademark uses reviewed:		
Trademark Application (on-product/prom)	Case Approval #, or Email (include approver name & date), or other	Are all elements correct? (e.g., trademark symbol, color)

optional)	appropriate documentation	scheme, size, etc.) If not, describe in Nonconformities below.
Promotional	297728, Alex Ek	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
Promotional	360068, Siang Yang	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>
		Y <input type="checkbox"/> N <input type="checkbox"/>
		Y <input type="checkbox"/> N <input type="checkbox"/>

☐ All known uses reviewed.

☒ Sample reviewed. Rationale that sample choice is sufficient to confirm requirements are met:

☐ Trademark uses detected include those grandfathered in under prior FSC trademark rules (e.g., FSC-TMK-50-201). Place the initials "GF" by the specific Trademark Applications above. *Note: This only applies to printed items or physical promotional materials (e.g., hats, load tickets) in stock. New printings, items, and websites must be updated per FSC-STD-50-001 requirements. If the organization only has GF uses and no new uses, the rest of this checklist is NA.*

1.2 Trademark License Agreement and valid certificate
In order to use these FSC trademarks, the FME shall have a valid FSC trademark license agreement and hold a valid certificate.
Note: Consultations for certification Organizations applying for forest management certification or conducting activities related to the implementation of controlled wood requirements, may refer to FSC by name and initials for stakeholder consultation.

Evidence 1.2: Maintained on file by SCS Main Office.

1.6 Product Group List
The products intended to be labeled or promoted as FSC certified have been included in the organization's certified product group list.

☒ C
☐ NC
☐ C w/ OBS/ c/ OBS

Evidence 1.6: ☒ Refer to Product Groups List in Public Summary Report;
☐ The following nonconformance(s) were detected in Product Groups: ; or
☐ Refer to OBS related to Product Groups:

1.3 Trademark License Code
The FSC trademark license code assigned by FSC to the organization accompanies any use of the FSC trademarks. It is sufficient to show the code once per product or promotional material.

☒ C
☐ NC
☐ C w/ OBS/ c/ OBS

1.4 Trademark Symbol
The FSC logo and the 'Forests For All Forever' marks shall include the trademark symbol ® in the upper right corner when used on products or materials to be distributed in a country where the relevant trademark is registered.
For use in a country where the trademark is not yet registered, use of the symbol ™ is recommended. The Trademark Registration List

☒ C
☐ NC
☐ C w/ OBS/ c/ OBS
☐ NA, one or more of noted exceptions applies

document is available in the FSC trade-mark portal and marketing toolkit. The symbol ® shall also be added to 'FSC' and 'Forest Stewardship Council' at the first or most prominent use in any text; one use per material is sufficient (e.g. website or brochure). <i>NOTE: The use of the trademark symbol is not required for FSC claims in sales and delivery documents, or for the disclaimer statement specified in requirement 6.2.</i>	
2.1 Restrictions on using FSC trademarks The organization has not used the FSC trademarks in the following ways: a) in a way that could cause confusion, misinterpretation, or loss of credibility to the FSC certification scheme; b) in a way that implies that FSC endorses, participates in, or is responsible for activities performed by the organization, outside the scope of certification; c) to promote product quality aspects not covered by FSC certification; d) in product brand or company names, such as 'FSC Golden Timber' or website domain names; e) in connection with FSC controlled wood or controlled material – they shall not be used for labelling products or in any promotion of sales or sourcing of controlled material or FSC controlled wood; the initials FSC shall only be used to pass on FSC controlled wood claims in sales and delivery documentation, in conformity with FSC chain of custody requirements.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS
2.2 Translations The name 'Forest Stewardship Council' has not been replaced with a translation. A translation may be included in brackets after the name, for example: Forest Stewardship Council® (translation)	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input checked="" type="checkbox"/> NA, no translations
Evidence 1.3, 1.4, 2.1, and 2.2: <input type="checkbox"/> Refer to Trademark uses reviewed above; <input type="checkbox"/> The following nonconformance(s) were detected ; or <input type="checkbox"/> Refer to OBS:	
Sections 8 and 9 Graphic Rules The organization has only used FSC logos that conform to the standard requirements governing: • color and font (8.1-8.3); • format and size (8.4-8.9); • label placement (8.10); and • 'Forests For All Forever' marks (9.1-9.7).	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS
1.5 Trademark Use Approval The organization has submitted all intended uses of the FSC trademarks to SCS for approval. OR The organization has an approved trademark use management system in place. (If the organization has a trademark use management system, complete Annex A.)	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS

<p>4.6 FSC trademarks may be used to identify FSC-certified materials in the chain of custody before the products are finished. It is not necessary to submit such segregation marks for approval. All segregation marks shall be removed before the products go to the final point of sale or are delivered to uncertified organizations.</p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input checked="" type="checkbox"/> NA, trademarks no used for segregation marks
<p>Evidence Graphic Rules, 1.5, and 4.6: <input type="checkbox"/> Refer to Trademark uses reviewed above;</p> <p><input type="checkbox"/> The following nonconformance(s) were detected ; or</p> <p><input type="checkbox"/> Refer to OBS:</p>	

2. On-Product Use of FSC Trademarks

☒ NA, no use of on-product trademarks (*on-product checklist may be deleted*)

3. Promotional Use of FSC Trademarks

☐ NA, no use of promotional trademarks (*promotional checklist may be deleted*)

<p>6.1 Catalogues, Brochures, and Websites</p> <p>When the FSC trademarks have been used in catalogues, brochures, or websites, the following requirements apply:</p> <ul style="list-style-type: none"> It is sufficient to present the promotional elements only once in catalogues, brochures, websites, etc. If both FSC-certified and uncertified products are listed then a text such as “Look for our FSC®-certified products” shall be used next to the promotional elements and the FSC-certified products shall be clearly identified. If some or all of the products are available as FSC certified on request only, this is be clearly stated. 	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input checked="" type="checkbox"/> NA, not using trademarks in catalogues/ brochures/websites
<p>6.2 Sales and Delivery Documents</p> <p>When the FSC trademarks are included on sales or delivery document templates that may be used for both FSC and non-FSC products, the following or a similar statement is included: “Only the products that are identified as such on this document are FSC certified”.</p> <p><i>NOTE: Use of the FSC claim and certificate code on the invoices does not qualify as FSC trademark use.</i></p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input type="checkbox"/> NA, not using trademarks on templates for FSC & non-FSC products
<p>6.3 Promotional Items</p> <p>All promotional items (e.g., mugs, pens, T-shirts, caps, banners, vehicles, etc.) have displayed, at minimum, the FSC logo and FSC trademark license code.</p>	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input type="checkbox"/> NA, not labeling promotional items
<p>6.5 Trade Fairs</p> <p>When the FSC trademarks are used for promotion at trade fairs, the organization has:</p> <p>a) clearly marked which products are FSC certified, or</p> <p>b) add a visible disclaimer stating “Ask for our FSC®-certified products” or similar if no FSC-certified products are displayed.</p> <p><i>NOTE: Use of text to describe the FSC certification of the organization does not require a disclaimer.</i></p>	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input checked="" type="checkbox"/> NA, not using trademarks at trade fairs

Section 6.6 and 6.7 Investment/Financial Claims 6.6 When investment companies or others are making financial claims based on the organization's FSC certified operations, the organization has taken full responsibility for the use of the FSC trademarks. 6.7 Any such claims have been accompanied by the disclaimer, "FSC is not responsible for and does not endorse any financial claims on returns on investments."	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input checked="" type="checkbox"/> NA, not making financial claims about FSC status
7.1 and 7.2 Other Forestry Certification Scheme Logos The FSC trademarks have not been used together with the marks of other forest certification schemes in a way which implies equivalence, or in a way which is disadvantageous to the FSC trademarks in terms of size or placement.	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input checked="" type="checkbox"/> NA, not using other scheme logos/
7.3 Business Cards The FSC trademarks have not used on business cards to promote the organization's certification. The FSC logo or 'Forests For All Forever' marks are not used on business cards for promotion. A text reference to the organization's FSC certification, with license code, is allowed, for example "We are FSC® certified (FSC® C#####)" or "We sell FSC®-certified products (FSC® C#####)".	<input type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS <input checked="" type="checkbox"/> NA, approval granted prior to July 1, 2011
7.4 Promotion with CB Logo FSC certified products have not been promoted using only the SCS Kingfisher and/or SCS Global Services logo.	<input checked="" type="checkbox"/> C <input type="checkbox"/> NC <input type="checkbox"/> C w/ OBS/ c/ OBS
Evidence 6.1-6.3, 6.5-6.7, 7.1-7.4: <input type="checkbox"/> Refer to Trademark uses reviewed above; <input type="checkbox"/> The following nonconformance(s) were detected ; or <input type="checkbox"/> Refer to OBS:	

Annex A: Trademark use management system
☒ NA, not using a trademark management system (*Annex A checklist may be deleted*)
Annex B, Additional trademark rules for group FM certificate holders
☒ NA, not a group FM certificate or group does not use FSC trademarks (*Annex B checklist may be deleted*)

- ☐ N/A, does not use/intend to use FSC trademarks for any purposes (finished with this section); or
- ☐ N/A, is fully integrated and all trademark uses are treated under the COC Annex to this report that includes a full review of FSC-STD-40-004 and FSC-STD-50-001.

Appendix 8 – Group Management Program
☒ This is not a group certificate, so this appendix is not applicable.