



3A Composites PNG Limited

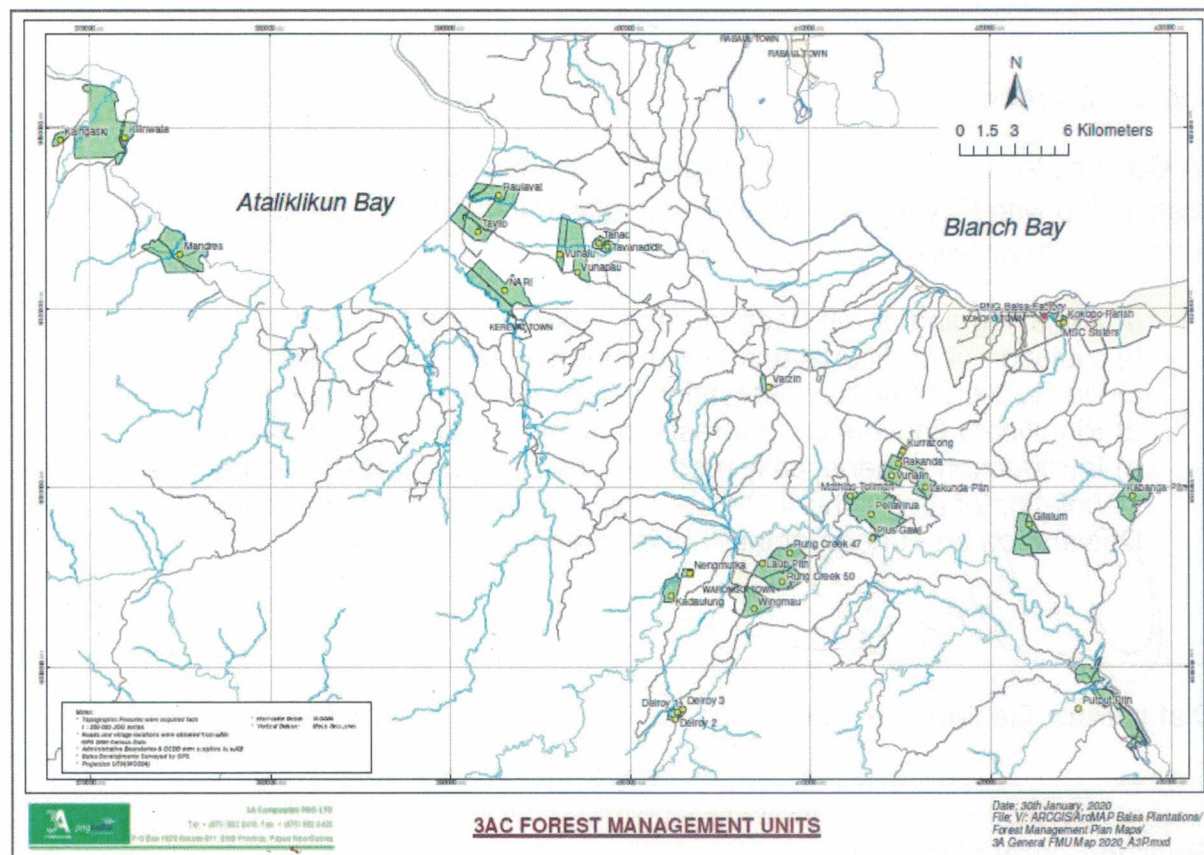
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P.O Box 1929 Kokopo 611, ENB Province, Papua New Guinea

Public Forest Management Summary 2019 - English

Management description

3A Composites PNG Ltd. develops and harvests balsa plantations in East New Britain Province, Papua New Guinea. Plantings are *ochroma lagopus* spp. The company is FSC certified for its Forest Management as well as for its Chain of custody and sourcing of controlled wood.



An area of approximately 2,500 ha is under the company's management. Plantations are located within 80 km of the processing site in Kokopo. The company plants approximately 450 hectares per annum and works with balsa seed trials to improve the quality, plantation growth and yield. In 2019 the company planted 346 ha and harvested 383 ha of FSC100% balsa. In addition, it sourced FSC Controlled Wood from 16.5 ha of small grower areas.

The company controls the entire process of balsa growing, maintenance, silviculture, harvesting, and production procedures of Forest Management Units (FMU) that are FSC 100%. Trees are harvested after 5-7 years.

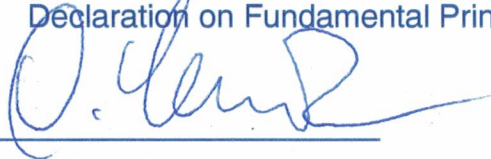
The operation's impact on the environment is monitored through Environmental Impact Assessments (EIA). Buffer zones ensure the protection of water sources, settlements, and sites of historic or cultural significance. Important community non-timber resources are also protected, as well as endangered species. The company monitors its impact on the livelihood of people affected by the operations in the plantations.

The company has an internal control system in place through which standard operating procedures, training records, complaints, etc. are monitored and documented.

Self Declaration

3A Composites explicitly agrees currently and in the future, as long as the relationship with FSC exists, not to be directly or indirectly involved in the following unacceptable activities:

- a) Illegal logging or the trade in illegal wood or forest products;
- b) Violation of traditional and human rights in forestry operations;
- c) Destruction of high conservation values in forestry operations;
- d) Significant conversion of forests to plantations or non-forest use;
- e) Introduction of genetically modified organisms in forestry operations;
- f) Violation of any of the ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work.



Olaf Lorenz, General Manager

Environmental Monitoring

Established monitoring procedures include Environmental Impact Assessment (EIA) and High Conservation Value (HCV) monitoring for all site disturbing activities on managed plantations. Plantations are assessed, before and after site disturbing activities. The following indicators are monitored:

Accuracy of Maps: topographical features, existing and planned roads, boundaries, inhabited spaces, camp location, water courses, buffer zones, and HCV sites.

Identified HCV sites: protection is ensured through establishment and monitoring of buffer zones.

Marking of all buffer zones: for watercourses, gardens, villages, and HCV sites.

Identified slopes greater than 30° should not be disturbed.

In 2019 the company has again included small grower balsa as FSC controlled wood into their production of FSC Mix products. Environmental monitoring for those areas has been developed and incorporated into regular monitoring practices.

In addition to this, the company offers extension services to small growers who are interested in becoming Joint Venture partners and grow balsa as part of the company's FMU.

High Conservation Value (HCV) sites in plantations are monitored on an annual basis and a Wildlife Encounter Database records sightings of animals in plantations.

Social Monitoring

Every year the company analyses the impact of its operations on its stakeholders affected by its forest management operations: Plantation workers, Joint Venture partners, contractors, small growers and communities. With approximately 715 employees the company remains one of the major employers in the province. 3A Composites is an equal opportunity employer. Approximately 25% of the workforce is female. The company engages a number of contractors for harvesting and transport and thus encourages local small and medium business enterprises. The company's decision to increasingly engage local small growers in its operations has had a positive economic impact and improved community relations.

The company has implemented a number of improvements in areas of training, health and safety, and living conditions of its employees. Offering early childhood learning for the resident children in its two compounds is an ongoing commitment of the company to further education for its future workforce. In 2019 a total of 42 children were enrolled. The company also offered an adult literacy program for employees. Awareness on health and safety including compulsory PPEs has again been a major focus in field operations.

Feedback from mobile teams on working with the company as well as on their living conditions has been overwhelmingly positive. The company is also proactive in outreach activities.

Contact

In case you require additional information please contact us via email:
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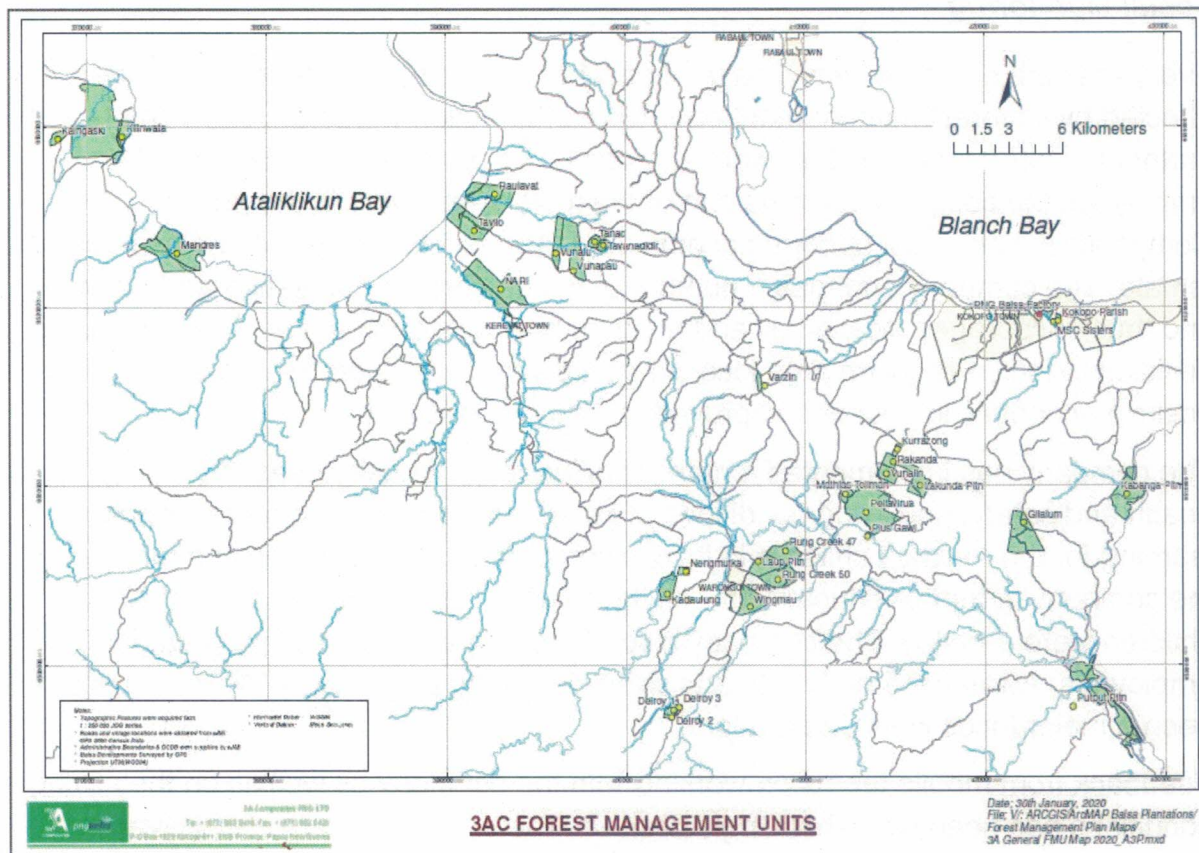
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P.O Box 1929 Kokopo 611, ENB Province, Papua New Guinea

Pablik Forest Management Samari 2019 – Tok Pisin

Management description

3A Composites PNG Ltd i save developim na katim ol balsa plentesin insait lo East New Britain Province, Papua New Guinea. Oli save planim *Ochroma lagopus* spp. Kampani em FSC certified blo ol gutpela Forest Management blo em na tu long Chain of Custody na control wood.



Igat klostu 2,500 ha istap aninit lo management blo kampani. Ol plentesin istap namel lo 80 km igo lo processing site long Kokopo. Kampani save planim klostu 450 hectare olgeta yia na save wok wantem ol balsa sid trial lo kamapim gutpla quality, plentesin growth na yield. Long 2019, kampani ibin planim 346 ha na bin katim 383 ha balsa we em i FSC 100%. Antap long en kampani i bin baim balsa long ol small growas olsem FSC Controlled Wood long 16.5 ha.

Kampani save kontrolim olgeta wok kamap blo planim balsa, maintenance na silviculture igo inap lo taim blo katim balsa na production procedures blo Forest Management Units aninit lo FSC 100%. Ol save katim balsa diwai bihain lo 5-7 yia.

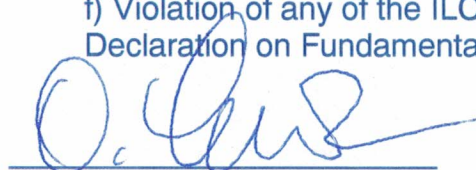
Kampani save monitorim ol impact blo operation tru lo Environmental Impact Assessment (EIA). Ol buffer zones em blo makim olsem ol eria olsem wara, settlement, ol ples tumbuna na ples tambu istap gut na ol man ino bagarapim. Kampani i save lukluk bihainim stap blo kominiti bihainim ol dispela samting.

Kampani igat internal control system istap we oli save skelim bihainim olgeta standard operating procedures, ol training records na ol complaint na kampani save monitarim na dokumentim.

Self Declaration

3A Composites i laik tok klia nau na long bihain taim am agri, long taim kampani i wok wantaim FSC, em i no directly or indirectly mekem sampelasamting olsem: activities:

- a) Illegal logging or the trade in illegal wood or forest products;
- b) Violation of traditional and human rights in forestry operations;
- c) Destruction of high conservation values in forestry operations;
- d) Significant conversion of forests to plantations or non-forest use;
- e) Introduction of genetically modified organisms in forestry operations;
- f) Violation of any of the ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work.



Olaf Lorenz, General Manager

Environmental Monitoring

Ol monitoring procedures em includim Environmental Impact Assessment (EIA) na High Conservation Value (HCV) kampani sa usim lo monitarim olgeta aktiviti we isave distebim ol eria blo wok. Dispela ol indiketa kampani save monitarim:

Accuracy blo ol Mep: topograph, ol existing na newpla rot, ol boundary, ol peles ol man istap, camp location, ol rot blo wara, buffer zones na ol HCV ples.

Makim ol HCV eria: makim na monitarim gut ol buffer zone bai igat gutla lukaut lo ol HCV eria

Makim olgeta buffer zone: blo ol rot blo wara, gaden, ples na HCV eria

Makim ol maunten i bikpla more lo 30° na noken disturbim bush lo displa ol hap.

Long 2019, kampani ibin inkludim ol liklik balsa growa olsem FSC control wood igo insait lo production blo FSC Mix products. Environmental monitoring blo ol dispel area kampani i developim na mekim kamap olsem wanpla regular monitoring practice.

Kampani tu igat ekstension servis we ol liklik balsa growa i ken kamap olsem Joint Venture patna minim ol i stap andanit long forest management blong kampani.

Ol High Conservation Value (HCV) eria insait long ol plentesin igat monitaring ikamap olgeta yia na database blo Wildlife Encounter tu i wok lo go het long rikodim olgeta animal we i stap insaed long ples balsa.

Social Monitoring

Olgeta yia kampani isave skelim ol impact blo ol operation long ol stakeholders olsem ol: Plentesin wokman, joint venture partners, contractor, ol liklik balsa growers na ol community. Kampani em givim wok long planti man lo province wantem klostu lo 715 pla wok manmeri now I wok stap. 3A Composites em I givim sem condition long ol meri wantaim man. Klostu 25% insaid long ol wokman em ol meri. Em i save engagim tu ol contractor lo wokim ol wok blo katim ol balsa diwai na karim ol i go long factory. Displa em givim bikpla chance long ol liklik na medium size local bisnis lo apply na kisim wok olsem contractor. Tingting bilong kampani long kisim diwai tu long ol liklik ol balsa farmer, insait long ol community, usait i planim balsa diwai behainim laik na tingting blong FSC I bringim moni go bek long peles na kamapim gutpla sindaun namel lo kampani na ol community.

Kampani em kamapim sampla improvement long ol samting olsem: training, health and safety na ol hap ples blong ol wok manmeri long silip na stap. Providim skul long ol pikinini blong ol wok manmeri we i silip insait long ol tupla kompaun blong kampani em i go ahed iet mekem ol i kamap gutpla lida bihain taim. Long 2019 42 pla student i stap. Ol awareness lo health na safety na ol PPE bilong lukautim wok manmeri long ples blong wok em i kamap wanpla bikpla samting long ai blong kampani na bikpla resource wok long go insait long displa.

Skelim blong ol wok manmeri blong kampani long hau ol i stap insait long ol kompaun blong kampani em i gutpla tru. Na kampani tu i woklo sapotim na halivim ol kominiti we operation blong katim balsa i afektim sindaun na lukluk blong komuniti.

Contact

Sapos yu igat sampela askim gen o nidim sampela mo tok klia, plis emailim mipla tru lo Sabine Hess, FSC Coordinator, s.hess@pngbalsa.com