

Rwanda Monitoring Public Summary

FY19 – July 2018 to June 2019



The New Forests Company

Rwanda Monitoring Public Summary FY19

Updated April 2020

1 Introduction

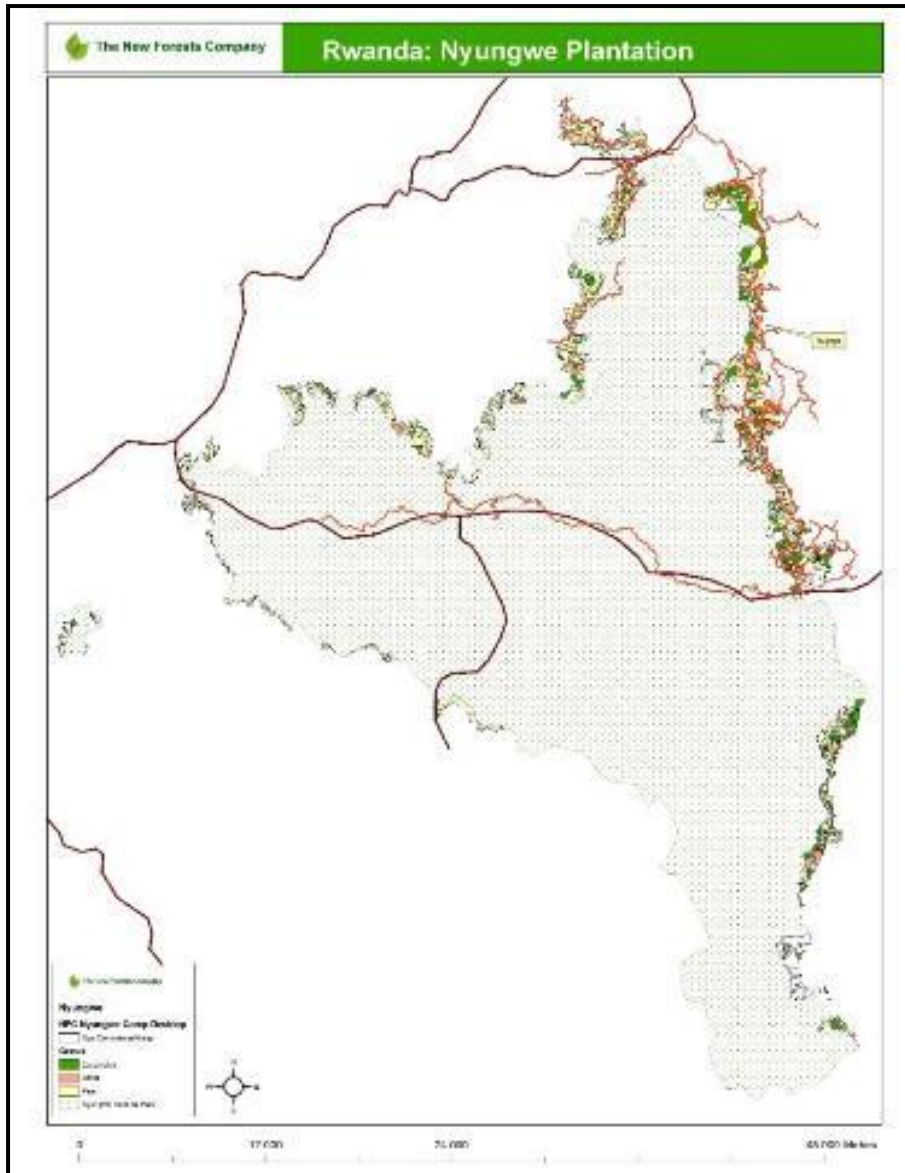
This document summarises the monitoring of activities at New Forests Rwanda's (NFR) plantations. The plantations are the buffer zone around the Nyungwe National Park, in the Southern and Western Provinces of the Republic of Rwanda. This monitoring has been conducted in line with the management objectives of the plantations, and the requirements of international standards. Familiarity with the management plan summary for NFR's plantation is helpful in understanding the management objectives that relate directly to these monitoring results.

The period under review is FY19, from July 2018 to June 2019.



Map 1: Nyungwe Forest National Park (red pin)





Map 2: Plantation areas around Nyungwe National Park

2 Employment

People are at the centre of what we do. NFR's plantations employed on average 158 people over the period under review. Of these, 63 were own labour and management, and 95 were contracted. About 6% of all workers were women. Approximately 99% of all workers are sourced within 30km of the boundaries of plantation.





Chart 1: Nyungwe Plantation labour statistics, gender and locality

3 Environmental Impacts

As a triple bottom line business, our positive impact on the environment is an important part of our ethos.

3.1 The results of regeneration activities (Criterion 10.1)

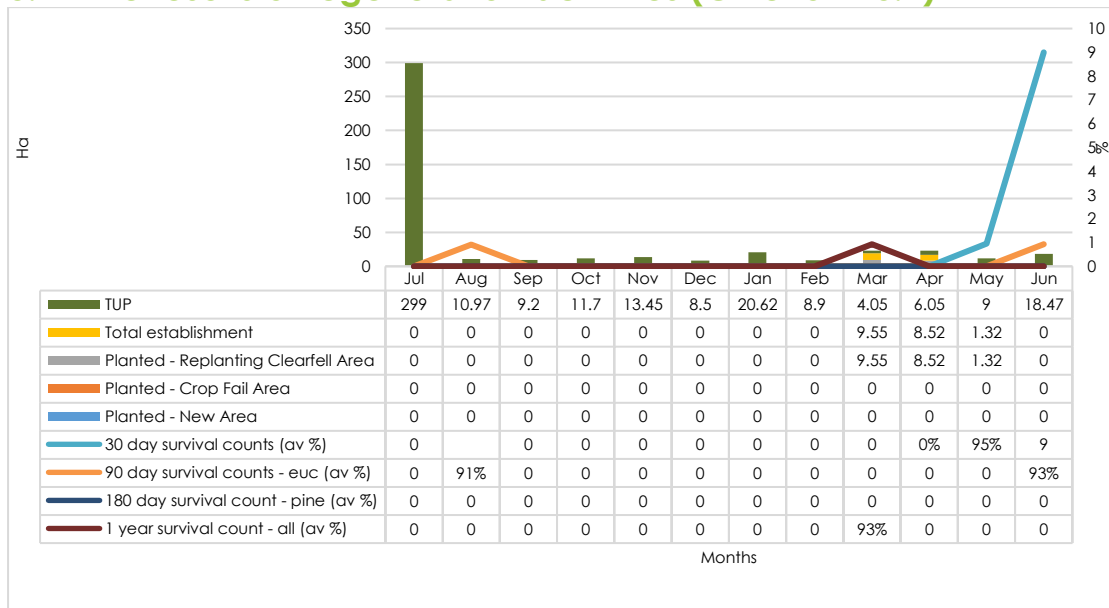


Chart 2: Nyungwe establishment activities

20ha were established in FY19.

3.2 The use of ecologically well adapted species for regeneration (Criterion 10.2)

Appropriate commercial species are selected appropriate to the site conditions prevailing in the forest management unit (FMU). New species (*Eucalyptus grandis*) introduced in 2016 from South Africa with the purpose of improving our poles quality is well adapted to the



climate. Site and species matching rules by a soils expert are followed before introduction of new species. No species newly introduced other than the existing species that our young plantations are currently made up by *E. maidenii*, *E. grandis* and *Pinus patula*.

3.3 Invasiveness or other adverse impacts associated with any alien species within and outside the Management Unit (Criterion 10.3)

All introduced alien species have been identified with their potential impact and a program is in place to control these. There are currently no recorded invasive or other adverse impacts associated with the species planted on NFR plantations. Imported seeds pass through office of agriculture and livestock for inspection and certification.

3.4 The results of silvicultural activities (Criterion 10.5)

The results of silvicultural activities for FY19 are summarized in the following graph.

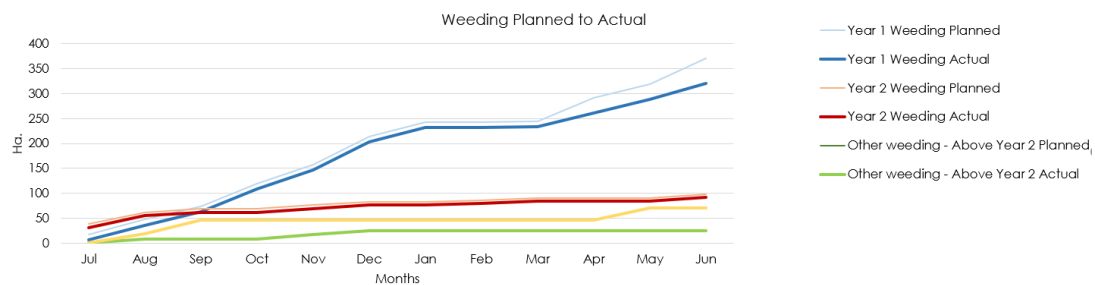


Chart 3: Nyungwe silvicultural activities

3.5 Adverse impacts to environmental values from fertilizers (Criterion 10.6)

Fertilisers are currently not in use.

3.6 Adverse impacts from the use of pesticides (Criterion 10.7)

NFR does not use pesticides.

3.7 Adverse impacts from the use of biological control agents (Criterion 10.8)

Biological control agents were not used.

3.8 The impacts from natural hazards (Criterion 10.9)

Major natural hazards occurring within concession were identified and mapped in FY19, these include landslides, hail, heavy rain, storms and strong winds; preventive and curative measures were put in place to deal with these according to IMS prescriptions. Natural hazard signposts were put on different plantation roads.



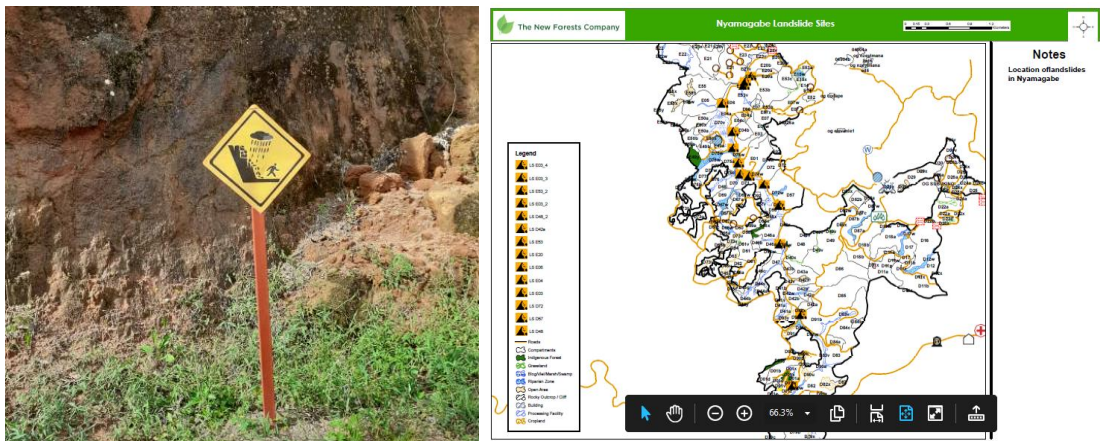


Figure 1: Natural Hazards at Nyungwe

3.9 The impacts of infrastructural development, transport activities and silviculture to rare and threatened species, habitats, ecosystems, landscape values water and soils (Criterion 10.10)

An environmental impact assessment was done for the whole plantation/buffer zone and Environmental Impact Report (EIR) submitted to Rwanda Development Board (RDB), and a certificate was issued for all the plantations activities.

At site level, checklists are completed addressing all environmental aspects that would potentially be impacted on negatively such as new roads, landings, rehabilitation of harvesting sites, open areas and conservation management.

3.10 The impacts of harvesting and extraction of timber on non-timber forest products, environmental values, merchantable wood waste and other products and services (Criterion 10.11)

Harvesting prescription and best operating practice documents e.g. for chainsaw operation, skyline, etc. are used as reference. Potential impacts of roads and harvesting are identified through the EIA documentation and harvesting operational planning and mitigation measures taken as appropriate in Nyamagabe plantation and Nyamasheke plantation where we are operating.

3.11 Environmentally appropriate disposal of waste materials (Criterion 10.12)

All waste has been disposed in line with legal requirements, and as required by the company's policies and procedures. Negative impacts related to this were not observed, and we are yet to receive reports or complaints from stakeholders or community in this regard.



4 Social Impacts

4.1 Evidence of illegal or unauthorized activities (Criterion 1.4)

Measures including communities and leadership engagement from District level to village level, community projects implementation as incentives, joint patrols between NFR, Army and Police, involvement of Rwanda Investigation Bureau, etc were developed and implemented to systematically protect Nyungwe National Park Buffer zone plantations from unauthorized or illegal activities namely tree harvesting, cultivation, grazing, charcoal burning, and so on. We identified and reported 1,473 tree theft cases in FY19.

4.2 Compliance with applicable laws, local laws, ratified international conventions and obligatory codes of practice (Criterion 1.5)

All appropriate taxes and levies are paid to local and central government as per requirements. Timber are sold and transported internally to our sawmill sites from the company log yards so no permits required. However, the company has got logs receiving tally book are tracked as an internal transport and logs receiving control tool. For timber supplied to our value addition in Nyanza the transport must have timber transport permit from the district. Harvesting permits are issued by government as per Rwanda forest law.

CITES species were neither harvested nor traded by the company.

4.3 Resolution of disputes and grievances (Criterion 1.6, Criterion 2.6, Criterion 4.6)

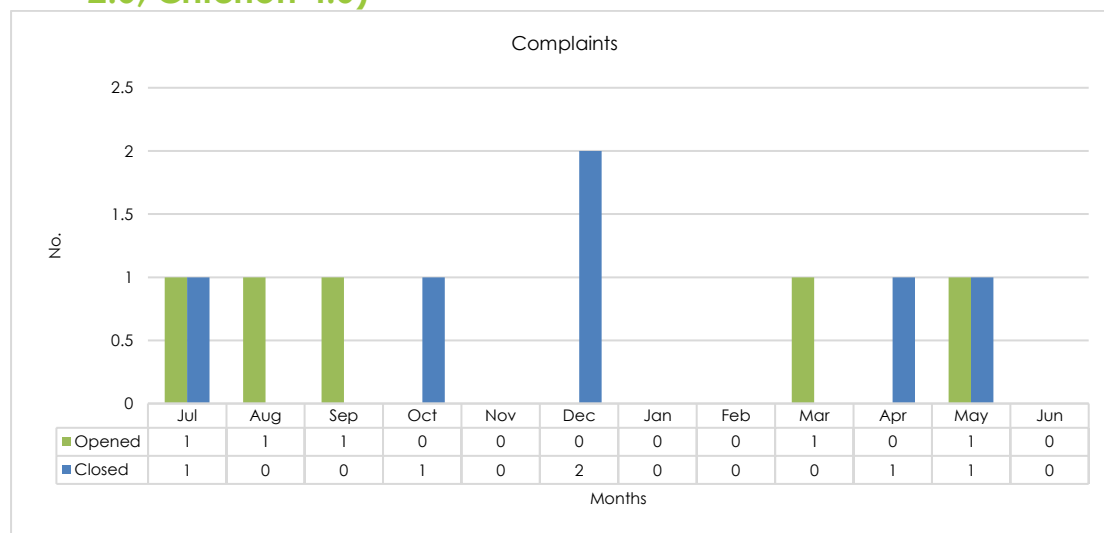


Chart 4: Nyungwe Complaints

Five (5) new community complaints were identified and resolved in a timely manner in line with established dispute resolution processes. Affected stakeholders/claimants and local leaders were involved in these processes.



4.4 Programs and activities regarding workers' rights (Criterion 2.1)

Workers' rights are exercised in accordance with the law N° 66/2018 of 30/08/2018 regulating labour in Rwanda. We have initiated an employee forum monthly where employees are interacting with employer and discuss workers' rights. We also have a staff committee whose mandate is to ensure that worker's rights are met. We are meeting this committee on several occasion to ensure that issues raised are discussed and addressed.

4.5 Gender equality, Sexual harassment and gender discrimination (Criterion 2.2)

The Company is an equal opportunity employer. Job opportunities are open to both women and men under the same conditions, and women are encouraged to participate actively in all levels of employment. We still have a small number of women versus men in the organization, but we are doing our best to attract them, and women are increasing from time to time. On the bottom of every single job advert, there is a sentence that "Women are strongly encouraged to apply". No single case or grievance related to sexual harassment and gender discrimination has been reported from internal and external communities.

4.6 Programs and activities regarding occupational health and safety (Criterion 2.3)

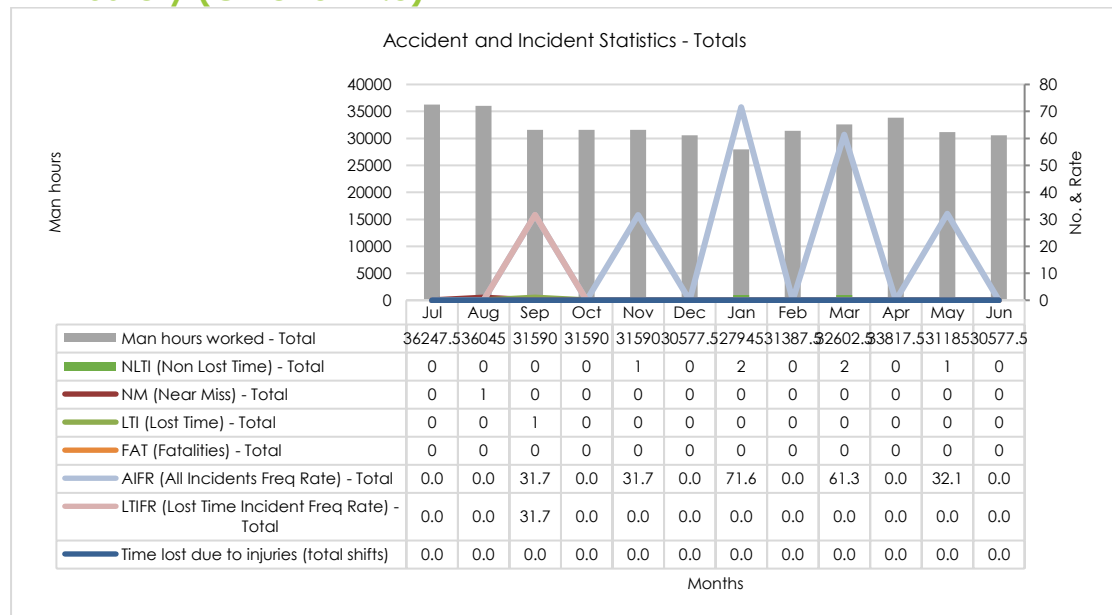


Chart 5: Nyungwe safety statistics

Company policies, systems and procedures meet International Labour Organisation (ILO) requirements. 1 lost time and 6 non-lost time injuries



were reported, the workers concerned were treated at clinics or first aid kits and returned to work.

4.7 Payment of wages (Criterion 2.4)

Although the legal minimum wage is yet to be gazetted (awaiting an Order of the Minister in charge of labour to determine minimum wage), The company is paying an above average wage to all employees. Wages and salaries are always paid on time.

4.8 Worker Training (Criterion 2.5)

The human resources are key to the company, we are upskilling the employees in accordance with the policy of “employee development and training”. The company avail all required resources for internal and external trainings to make sure that all employees are at the right calibre to perform their respective jobs.

4.9 Where pesticides are used, the health of workers exposed to pesticides (Criterion 2.5 and Criterion 10.7)

Pesticides are not used at NFR.

4.10 The identification of Indigenous Peoples and local communities and their legal and customary rights (Criterion 3.1 and Criterion 4.1)

No indigenous people or local community exist within the Nyungwe National Park Buffer zone plantation. Complaints arising from forestry operations affecting local people were handled amicably following conflict resolution processes in place in which affected people were involved.

4.11 Full implementation of the terms in binding agreements (Criterion 3.2 and Criterion 4.2)

In partnership with local community leaders, community consultation meetings were organized quarterly to get free, prior and informed consent of communities concerned by management activities intended to be implemented by the Company.

4.12 Indigenous Peoples and community relations (Criterion 3.2, Criterion 3.3 and Criterion 4.2)

Communities were regularly informed of the current and future planned forest management activities to be conducted especially when they are to affect surrounding communities. For example, beekeeping cooperatives when they had to temporally relocate their hives due to harvesting operations.



4.13 Protection of sites of special cultural, ecological, economic, religious or spiritual significance to Indigenous Peoples and local communities (Criterion 3.5 and Criterion 4.7)

In line with company procedures, 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 been agreed to with the local communities, and as directed by local and national laws. However, there were none existing, and there are no such sites newly discovered on our plantations in FY19.

4.14 The use of traditional knowledge and intellectual property (Criterion 3.6 and Criterion 4.8)

The company does not use traditional knowledge in operations.

4.15 Local economic and social development (Criterion 4.2, Criterion 4.3, Criterion 4.4, Criterion 4.5)

NFR contributes to this through programs that are run through the corporate social responsibility department.

4.16 The production of diversified benefits and / or products (Criterion 5.1)

The main products from the plantation is timber: eucalyptus poles (from thinning and as final product), pine sawn timber and value-added timbers and biomass (i.e. firewood) are currently the main market for the timber. The company has recently constructed a sawmill to process pine (and a small amount of eucalyptus) into planks. Those are sold at the sawmill gate and value addition. Practically all the poles are sold nationally as the company has a contract for the supply of electricity transmission poles.

4.17 The maintenance and/or enhancement of ecosystem services (Criterion 5.1)

Ecosystem services are yet to be effectively implemented in the country for the time being.

4.18 Activities to maintain or enhance ecosystem services (Criterion 5.1)

Ecosystem services are yet to be effectively implemented in the country for the time being.

4.19 Actual compared to projected annual harvests of timber and non-timber forest products (Criterion 5.2)

The sawmill business is still growing, and our current annual harvest is about 30% of the total allowable cut. As the market expands the operations will grow with additional equipment to cater for the increase in volume. Non-timber forest products include honey



production and grass collection by local communities which is at a sustainable level and no foreseeable change in volume is expected.

4.20 The use of local processing, local services and local value added manufacturing (Criterion 5.4)

NFR Ltd. mainly relies on local employees. Processing is mostly done locally on the FMU where the majority of employment opportunities are created. NFR uses a local contracting company, the company was initially established in 2012. 99% of staff in total are employed from community around Nyamagabe and Nyamasheke Plantation. The contractor is mainly involved with silvicultural, harvesting and sawmilling activities. Some materials and utensils (nails, handles, slashing tools, wheelbarrows, roofing sheets, office furniture, etc.) are procured locally. Products are mainly sold to traders who in turn sell to local furniture manufacturers and construction companies. All timber currently sold is for local use.

4.21 Long term economic viability (Criterion 5.5)

The company has long term plans that cover the next 25 years. In terms of the harvesting plan, the objective is to increase harvesting towards a maximum harvesting volume based on the sustainable total allowable cut.

4.22 High Conservation Values 5 and 6 identified (Criterion 9.1)

There are no high conservation values currently in the Nyungwe National Park buffer zone.

5 Changes in Environmental Conditions

5.1 The maintenance and/or enhancement of ecosystem services (Criterion 5.2) (when The Organization makes FSC™ promotional claims regarding the provision of ecosystem services, or receives payment for the provision of ecosystem services)

Ecosystem services are not effectively implemented in the country for the time being.

5.2 Environmental values and ecosystem functions including carbon sequestration and storage (Criterion 6.1); including the effectiveness of actions identified and implemented to prevent, mitigate and repair negative impacts to environmental values (Criterion 6.3)

The most significant potential negative impact is from erosion on clearfelled sites. NFR procedures direct that harvesting methods that are low impact are used, and that soils are covered with harvesting debris to reduce or eliminate the potential negative effects.



5.3 Rare and threatened species, and the effectiveness of actions implemented to protect them and their habitats (Criterion 6.4)

11% of bird species recorded, and the reptiles *Chamaeleo johnstonii* and *Atheris nitschei*, reported on in the biological diversity monitoring of 2020 are endemic to the Albertine Rift region. Their habitats are protected in conservation areas.

5.4 Representative sample areas and the effectiveness of actions implemented to conserve and/or restore them (Criterion 6.5)

There are in excess of 1000ha that are maintained as conservation areas that are representative of natural ecosystems. Monitoring activities around this were set up recently and are yet to yield meaningful data.

5.5 Naturally occurring native species and biological diversity and the effectiveness of actions implemented to conserve and/or restore them (Criterion 6.6)

A biological diversity study was completed for the plantations in 2018, and a monitoring was completed in 2020. Effectiveness of actions will be effectively measured 5 to 10 years from the date of the study.

5.6 Water courses, water bodies, water quantity and water quality and the effectiveness of actions implemented to conserve and/or restore them (Criterion 6.7)

There are water courses that run through the plantation, mostly rising from the national park and leading out of the park. The activities of NFR are governed by procedures that are designed to prevent contamination of water by hydrocarbons, with a reporting requirement for such spills. No spills were reported in the period under review.

5.7 Landscape values and the effectiveness of actions implemented to maintain and/or restore them (Criterion 6.8)

The buffer zone is, to some extent, an extension of the park, as well as serving to protect the park from anthropogenic pressures. Largely, it has been effective in reducing the shrinking of the park.

5.8 Conversion of natural forest to plantations or conversion to non-forest (Criterion 6.9);

There has been no conversion carried out in the period under review.

5.9 The status of plantations established after 1994 (Criterion 6.10)

This forest management unit was established from 1984 and was assessed for conversion at the initial certification in 2017. There was no evidence of conversion found.



5.10 High Conservation Values 1 to 4 identified in Criterion 9.1 and the effectiveness of actions implemented to maintain and/or enhance them

The plantations do not contain any high conservation values.

END OF SUMMARY

