

Date: 19/11/2024

Open Bay Timber Limited

### **OBT – STAKEHOLDER CONSULTATION PROCEDURE**

OBT will conduct stakeholder consultation based as per of The FSC® National Forest Stewardship Standard of Papua New Guinea, FSC®-STD-PNG-02-2017 in order to verify the adequacy of its control measures. The stakeholders from various sections will be invited for the consultation meeting and they are as follows:

- Government Agencies who deal with Forestry
- Research Institutes/University
- National/State Forest Agencies/Forestry
- Local/Regional NGO's-Social/Environment/Recreational
- Experts/NGO's
- Labour Union/Association
- Industries/Certificate Holders
- Wood Contractors/Consumers
- Local Public/Workers
- Farmers

The identified stakeholders from the above groups will be invited to participate in the stakeholder consultation through anyone of the following sources in the given stake holder consultation form:

- By phone call
- By sending mail
- By sending letter
- By in-person invitation

During this minimum of 45 days time, all the invited stakeholders will be provided access to the information that is relevant to the FSC® 100% procured from OBT Plantation. The invited stakeholders can be provided their feedback within this 45 days period of stakeholder consultation period. OBT will also obtain the stakeholders consent to publication of their comments. The invited stakeholders may be provided their inputs/complaints by the following means:

- By phone call
- By sending mail
- By sending written inputs/complaints through post/courier

OBT will explain to all the participated stakeholders within 60 days after the stakeholder consultation period about how their comments if any were taken into account.

OBT will maintain the records of consultation procedures including list of stakeholders, minutes of the meeting, etc., for future reference.

After completion of stake holder consultation OBT will prepare a summary of the consultation process which will have the following details:

- The area for which the stakeholder consultation conducted
- List of stakeholders invited
- Summary of the stakeholder's comments received after getting prior consent from the stakeholders
- Description about how the comments of stake holders are taken into account

- Justification for sourcing the logs from OBT plantations as FSC® 100%

No.	FSC® – FM PRINCIPLES	Comments
1	Compliance with Laws and FSC® Principles	
2	Workers Rights and Employment Conditions	
3	Indigenous People's Rights	
4	Community Relations	
5	Benefits from OBT Plantations	
6	Environmental Impact of OBT Plantations	
7	Socio Economic Impact of OBT plantations	
8	Maintenance of High Conservation Value Forests in OBT Plantations	
9	Child Labour & Sexual Harassment	
10	Dispute Resolution Process	
11	Indigenous cultural landscapes sites and impacts if any	
12	Any other Specific Remarks	

OBT will use this procedure to ensure transparency in all process required by FSC® standards.



## DISPUTE RESOLUTION

### STAKE HOLDER INPUTS/DISPUTES/COMPLAINTS PROCEDURE:

OBT will use culturally appropriate engagement of stakeholders ensures that they are proactively and transparently engaged in the following processes:

- Dispute resolution processes
- Definition of Living wages
- Identification of rights, Indigenous cultural landscapes sites and impacts
- Local communities, socio-economic development activities; and
- High Conservation Value assessment, management and monitoring.

Through culturally appropriate engagement of stakeholders, local communities, OBT developed the following disputes resolution mechanism as follows:

The stakeholders may complaint about their field problems by any one of the followings method:

- By phone call
- By registering in the compliant boxes at Admin Office and Reforestation Office.
- By sending mail
- By sending written complaints through post/courier
- By posting complain box

The FME will provide response to the stakeholder within a period of 7 days from the date of receipt of the complaint.

If any complaint received from stakeholders through any one of the above mode, it will be registered in the complaint register within 48 hours after received and forward to the OBT admin Office. In some times the complaints will be received directly at OBT admin office. Public Relationship Officer will assess the complaints received from stakeholders and analyses the root cause of the issues. Then he will find out the solution to sort out the issues and not to occur the same issues in future. Accordingly, Public Relationship Officer put up the details about issues and solutions to get approval from Assistant General Manager (Admin), Management. Assistant General Manager (Admin), analyse the issues and solutions given by Public Relationship Officer and approved the solutions for implementation.

Based on approval from Assistant General Manager (Admin), Public Relationship Officer instruct the concern field officials to sort out the issues raised by stakeholders. He will also confirm the complaints sorted out by field officials by reviewing them. This whole complaint procedure will take a time of 60 days. So if any complaint/issues raised by any of the stakeholders will be addressed within 60 days of receipt of complaint. This 60 days time period will also be informed to stakeholders through phone or letter or mail once we received the complaints from them.

Similarly, if the complaints is received from any stakeholders with respect to damage/loss for them with supporting evidence that will be registered in the register and forwarded to OBT admin office. It will be assessed by Public Relationship Officer and he will analyse root cause for the damages/losses. In the event that evidence is considered relevant, field investigation / verification will be conducted within 60 days of receipt of the complaint under the supervision of Public Relationship Officer.

After field verification, Public Relationship Officer will forward his remarks and compensations request to Assistant General Manager (Admin), for approval. Assistant General Manager (Admin), will approve the compensations based on the nature of damage/losses. Accordingly, the compensations will be paid to stakeholders within 30 days from date of report submitted



by Public Relationship Officer Hence the complaints received from any stakeholders with respect to damage/loss will be addressed within 90 days from date of receipt of complaints from any of the stakeholders

Assistant General Manager (Admin) is the competent authority to provide solutions for all the complaints received from anyone of the stakeholders. This well structured resolving mechanism lead to consistent outcome to any of the complaints from stakeholders.

In cases where a dispute relates to the Principles and Criteria of the FSC®, the certifying body will be informed immediately about the disputes and will act accordingly. Genuine disputes over customary land tenure, customary rights to use the forests, and customary rights to alienate forest resources are to be settled under the Land Dispute Settlement Act.

Through this systematic system OBT will addresses any complaint received from any of the stakeholders.

Contact information of the person or position responsible for addressing inputs/complaints:

Mr. Kenji Ueda  
Assistant General Manager (Admin)  
Telephone Number : 7206-2068

The Assistant General Manager is having the responsibility to sort out the disputes if any raised by any of the stakeholders who will be as Ombudsman for Plantation Implementation activities.

If the resolution given by Ombudsman is not satisfactory for any of the stakeholders then they may contact the top management of OBT in the following address:

Mr. Takashi Fujita  
Managing Director of Open Bay Timber Limited  
Telephone Number : 7206-2068

Further, the disputes are not solved, the stakeholders may take the following actions.

- Take legal action in the National Court at Kokopo.
- Bring complaints into the FSC® certification scheme (FSC®-PRO-01-008 (V2-0) EN)

OBT will cease or stop its operations and procuring FSC® FM 100% where the disputes exists of substantial magnitude or substantial duration or Involving a significant number of interests. Under these circumstances, OBT will not continue its FSC® FM operations in these selected plantations which will be excluded from OBT FSC® FM scope of certification and logs from these plantations will not be procured as FSC® FM 100% material.

If the disputes/complaints is having considerable importance, size (may be from more than 30 stakeholders, or worth, or having substance or capable of being treated as fact; not imaginary will be treated as Substantial Magnitude”.

Similarly, if the we are getting at least one dispute/complaint per day for one-week continuous period about the same particular plantation/location or reasons and which also remains for more than 30 days, that will be treated as disputes/complaints with substantial duration. If the disputes/complaints about the same particular plantation/location or reasons are received from more than 15 stakeholders will be treated as having significant number of interest.

Under these circumstances, OBT will not continue its FSC® FM operations in these selected plantations which will be excluded from OBT FSC® FM scope of certification and logs from

these plantations will not be procured as FSC® FM 100% material.

In case the complaint regarding sourcing plantations then material will not be sourced as FSC® 100% from the concerned field during Complaint verification period. If that area not confirming the FSC® National Forest Stewardship Standard of Papua New Guinea, FSC-STD-PNG-02-2017, standard and corrective action cannot be determined and/or enforced, the supply from that particular area/source will be excluded from FSC® 100% and treated as Uncontrolled Material.



**TAKASHI FUJITA**  
Managing Director

Date: 19 November 2024