

### **Commitment of Pussellawa Plantations Limited**

By adhering to the Principles and Criteria stipulated in the FSC-FM Interim National Standards of Sri Lanka (FSC-STD-LKA-01-2021 V1-0 EN), the Management of the Pussellawa Plantations Ltd (PPL) is committed to manage seven Estates (Ayr, Durampitiya, Halpe, Eslton, Penrith, Salawa, and Siriniwasa) under Sustainable Forest Management practices, because the aim of the management is to sustain long-term survival based on the forestry operations which are economically viable, environmentally sustainable and socially acceptable. Therefore, the Management of PPL continues to conduct forest management operations in conformity with the laws and regulations of the government of Sri Lanka and relevant international agencies.

### **Vision of the Pussellawa Plantations Limited**

The vision of the Pussellawa Plantations Ltd. is to conduct the forest management operations in the Estates per the Principles and Criteria of the FSC™-FM Standards achieving the long-term sustainable forest management goals. In accordance with this vision, PPL does not manage any plantation established on any form of natural forest after 1994. In addition, the management of PPL does not convert any form of natural forest to other landuses including plantations in its any forest management activity.

## **Significant improvements of the forest management-related activities during the last five years**

- i. Inclusion of two new estates as Estates (Durampitiya and Siriniwasa) into the FSC-Scope.
- ii. Inclusion of the Penrith, Salawa, and Siriniwasa Rubber Processing Centres into the FSC-CoC Scope.
- iii. Increase of the conservation areas from 5% to over 10%.
- iv. Completion of the main Biodiversity Survey, covering all seven Estates in 2023.
- v. Compilation of the High Conservation Value assessment of the conservation areas 2023, identifying some new sites.
- vi. Compilation of the Environmental and Social Risk Assessment (ESRA) in 2021, which was updated in 2024.
- vii. Adaptation of new policies on Prevention of bribery and corruption, Gender equity and equality, and Pre, prior, and informed consent.
- viii. Updating the Policy Manual in 2024.
- ix. Completion of the main Social Impact Assessment in 2022.
- x. Updating the estate maps.
- xi. Increase of the permanent sample plots for growth monitoring in Rubber trees.
- xii. Compilation of the Core Labor Assessment.
- xiii. Continuously managing the newly aggravated Rubber Leaf Spot Disease per the Rubber Research Institute guidelines.
- xiv. Enriching conservation areas and buffer zones continuously by planting Kumbuk and Mee seedlings and maintaining them.
- xv. Intercropping short rotation crops such as Pineapple in the selected immature Coconut and Rubber fields to diversify the income generation.
- xvi. Assisting research projects conducted by reputed institutes on Rubber sector to Rubber Research Institute and University of Sri Jayewardenepura:

## **Summaries of the defined policies and objectives of the forest management of the FSC-Certified estates of the Pussellawa Plantations Ltd.**

### ***Forest management objectives***

- i. To ensure an efficient management and production of the crops per the guidelines of the relevant institutions/ authorities while depending on the guidelines given by the relevant authorities and FSC standards.
- ii. To ensure the diversification of PPL estates with other suitable crops.
- iii. To conduct intercropping agriculture practices to maximize the land use and to diversify the income.
- iv. To effectively combat against the pest and disease infestations of the planted crops.
- v. To protect the lands against degradation due to soil erosion, floods, landslides, fire, and other effects of ecological imbalance.
- vi. To obtain periodic revenues from timber production on sustained yield basis, protecting the environment.
- vii. To contribute to the growth of the local and national economies.
- viii. To supply the basic needs of the surrounding community.
- ix. To maintain and improve the quality of the water courses in the estates, and to increase soil productivity.
- x. To increase wood production and export demands as raw materials, minimizing the damage on valuable natural forests.
- xi. To minimize the environmental damages, especially during the tree harvesting periods.
- xii. To conserve the natural forests, High Conservation Value sites (HCVs), and other culturally, religiously, historically, and socially valuable lands.
- xiii. To enhance the natural regeneration and restoration of the degraded.
- xiv. To protect the estates from illegal activities and other damages.
- xv. To monitor and evaluate the impacts of forest management activities.

### ***Summaries of the policies implemented by the PPL***

The following policies have been formulated ensuring the compliance of the laws/ regulations formulated at international, national and local levels and in compliance with the Principles and Criteria stipulated in the FSC-FM Standards.

i. Landuse

PPL strives towards success whilst protecting the environment and contributing to the increase of forest cover of Sri Lanka utilizing the resources for plantation establishment and management in effective manner while preventing and mitigating the negative impacts to the environment.

ii. Harvesting

Tree harvesting is done at the maturity by carefully selected contractors while minimizing the damages to the trees, environment, and other crops. In order to minimize those damages, the PPL management conducts pre and post harvestings-assessments in comprehensive manner.

iii. Conservation area management

Conservation areas, designated due to environmental, biodiversity, or social values are managed without implementing any damaging activity including the commercial cultivations. The awareness of these areas are increased among the staff, workers, and the community.

iv. Buffer zone establishment and management

Five-meter buffer zones are maintained to protect the sensitive areas from erosion, pollution and other damages. Site disturbing or commercial activities are not conducted in such areas.

v. Invasive species control

Invasive species such as Hawari Nuga/ Ginikuru (*Alstonia macrophylla*), Para (*Dillenia suffruticosa*), and Nylon Bowitia (*Clidemia hirta*, also known as *Miconia crenata*) are removed at regular intervals to prevent spreading of them.

vi. Chemical use

Banned chemicals by the World Health Organization and Pesticide Registrar General Sri Lanka are not used by the PPL management. However, chemicals in banned pesticide list of FSC will be used only if it is absolutely necessary to use after obtaining a derogation from the FSC Auditors. Prior to the use of any hazardous chemical, an Environmental and Social Risk Analysis is conducted by an expert to identify the hazards and the risks. The chemical containers will be sold only to a registered collector in Central Environmental Authority without disposing those in anywhere else.

vii. Waste management

PPL minimizes the waste generation in estates and factory premises. All generated waste is segregated and disposed accordingly and bio-degradable waste is used for compost manufacturing whenever possible.

viii. Deadwood and rotten tree handling

Dead rubber trees in mature fields are sold/ used as firewood, without keeping in the fields due to spreading of root diseases. Dead or rotten wood on conservation areas are not removed. Additionally, 1 m<sup>3</sup> of deadwood will be retained per 1 ha in the uproot fields of species other than rubber.

ix. Occupational health and safety

PPL management identified three possible health hazards, i.e., in chemical spraying, tree harvesting, and field work, and strictly adheres to the health and safety procedures. Personal protection equipment is supplied for each worker, when engaging with hazardous work to minimize the risks.

x. Crop diversification

Diversification up to 10% of the extent of the present crop with the approval of the relevant authorities is recommended by the management. The introduction of new species will be done on their suitability, non-invasiveness and after making the relevant stakeholders aware about it.

xi. Wildlife protection

Hunting, trapping, collection, harming any animal is totally banned within the PPL premises. All stakeholders are regularly educated on the importance of the wildlife in the PPL premises. Sign boards are also erected in the relevant areas to increase the public awareness.

xii. Integrated pest management

PPL management adheres to integrated pest-management based on ecological principles to control harmful pests, prioritizing non-chemical methods (physical, mechanical, cultural and biological control methods), and the least possible use of chemical (agrochemicals).

xiii. Protection of estate lands

All form of estate lands are managed safeguarding from any threat or damage. Therefore, the management takes all possible steps to protect the estate belongings in order to ensure safety/ protection of all assets including life and property, products, flora, fauna, buildings etc.

xiv. Non-timber forest products (NTFPs)

All NTFPs are harvested in sustainable manner in accordance with the guidelines issued by the relevant research institutes such as Sri Lanka Rubber Research Institute, Coconut Research Institute, Department of Agriculture, Forest Department, and Export Development Board, while maintain the harvesting records.

xv. Fire prevention and fire management

PPL management takes strong measures to prevent fire eruption in its lands. Fire prone areas are identified and marked in maps and the awareness of the workers and surrounding community is increased on the potential hazards and losses due to the fire. Annual fire prevention and fire fighting trainings are also given to the workers by the experts.

xvi. Gender equality and equity

PPL management commits to promote gender equality as an explicit, universal human right, in its all workplaces. The management also commits to understand and where possible, address systemic and structural biases, and cultural and social norms and practices that lead to inequalities in

opportunities, resources, representation, power and participation across the gender spectrum and other individual or socio-cultural characteristics, in the workplaces. The management does not tolerate any form of violence, exploitation, harassment, or bullying based on gender, sex, or individual or cultural difference in the workplaces and externally. It also does not tolerate any form of discrimination, stereotyping or prejudice based on gender, sex, sexual orientation, age, disability, race, ethnicity, nationality, religion, caste, or other differences in the workplaces. The management commits to investigate and respond to discrimination, stereotyping or prejudice both reported, and incidents suspected or observed.

xvii. Prevention of bribery and corruption

The management conducts all plantation and factory management and business in an honest and ethical manner taking a zero-tolerance approach to bribery and corruption. The company is also committed to acting professionally, fairly and with integrity in all its plantation and factory management and business dealings and relationships. Further the management upholds all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate.

xviii. Labor use

The management recognized the need to respect human rights and committed to conduct daily work and business activities based on respecting the human and labor rights such as, freedom of association, no forced or child labor, diversity and equal opportunities, no harassment, fair employment practices, safe and healthy workplace, human rights and labor due diligence, personal and professional development, open dialogue, and resolving concerns. The management encourages its employees to take up their concerns directly with management and create an environment where open dialogue is the preferred way of resolving issues. The management also provides employees a mechanism to report concerns confidentially, anonymously and without fear of reprisal, as governed by the applicable company procedures.

xix. Free, prior and informed consent (FPIC)

FPIC is a specific right granted to Indigenous Peoples recognised in the UN Declaration on the Rights of Indigenous Peoples, which aligns with their universal right to self-determination. It allows Indigenous Peoples to provide or withhold/ withdraw consent, at any point, regarding projects

impacting their territories. FPIC allows Indigenous Peoples to engage in negotiations to shape the design, implementation, monitoring, and evaluation of projects.

However, due to the absence of the Indigenous people in the PPL estates or in the surrounding, the management follows this policy for the surrounding community whenever possible.



## Description of the forest management units

### *Estates managed by PPL*

PPL manages 4,007.22 ha of lands under the FSC-FM Scope in the seven Estates, which are located in the WL1 agro-ecological region. The total extents and are given in Table 1 as at August, 2023.

**Table 1:** Species and landuse of PPL Estates under FSC-FM scope, as at 31<sup>st</sup> August, 2023.

Land Use	Ayr	Durampitiya	Elston	Halpe	Penrith	Salawa	Siriniwasa
<b>Rubber</b>	352.80	213.55	592.66	586.82	499.24	377.00	299.01
<b>Coconut</b>	--	0.33	--	19.60	--	62.63	--
<b>Cinnamon</b>	3.01	5.37	4.96	10.54	13.18	13.17	4.76
<b>Conservation</b>	66.27	40.65	83.47	74.74	37.65	64.11	58.22
<b>Tea</b>	0.50	--	--	1.03	--	--	16.75
<b>Other</b>	37.84	76.10	129.80	51.80	95.79	70.00	43.87
<b>Total</b>	<b>460.42</b>	<b>336.00</b>	<b>810.89</b>	<b>744.53</b>	<b>645.86</b>	<b>586.91</b>	<b>422.61</b>

### *Land selection policy for operations*

Other than the conservation areas due to biodiversity and ecological values, culturally, historically, socially or religiously important lands/ areas are identified with the information gathered in annual Stakeholder Meetings and mapped. The assistance of the relevant experts is also sought to confirm such values whenever necessary. PPL Management ensures that no commercial activity is conducted in those areas which have been totally demarcated for the services to the worker community or to the society.

### *Environmental and community/ social services*

Different services, both to the environment and to the community are supplied by the Estates. are given in Table 2.

**Table 2:** Main services of Estates.

<b>Environment</b>	<b>Society, workers</b>
Biodiversity protection	Fuelwood
Erosion minimization	Food (staple, greens)
Landslide minimization	Medicine
Aesthetic value	Drinking water
Clean air	Pasture
Water quality	Access
	Recreation

## **Forest products harvesting**

### ***Rubber***

Rubber tapping is a commercial operation conducted on sustainable yield basis and a set standard of tapping is in place. Tree harvesting is done at maturity

### ***Coconut***

Nuts are pricked by skilled ad rained contract workers by using bamboo stems at 45 days intervals. The lifespan of a coconut tree is 60 years.

### ***Cinnamon***

Cinnamon harvesting is done after three years of planting by using selected shoots leaving at least three stems on the ground.

### ***Tea***

Skilled, trained pluckers are used to pluck of tea leaves. They use hand plucking practice for this reason.

### ***Timber***

PPL maintains a considerable number of other trees with timber values in vacant, small fields, along field borders, and roadsides. Those are harvested at their maturity or due to in hazardous situations to cause danger for the premises users and/or buildings. Approval for the removal of such trees is obtained from relevant authorities prior to felling them.

### ***Harvesting restrictions***

Tree harvesting is not conducted for the commercial purposes in the Conservation Areas and High Conservation Value sites (HCVs). Tree uprooting is not conducted in the buffer zones.

### Conservation areas

Conservation areas have been identified to be samples of existing natural ecosystems of the region. Those are managed so as to retain and/ or restore their natural states. Those conservation areas are given in Table 3 have been marked on the ground and in maps of the Estates.

**Table 3:** Presence of conservation areas in PPL as at 15<sup>th</sup> September, 2023.

<b>Estate</b>	<b>Total extent, ha</b>	<b>Conservation extent, ha</b>
Ayr	460.42	66.27
Durampitiya	336.00	40.65
Elston	810.89	83.47
Halpe	744.53	74.74
Penrith	645.86	37.65
Salawa	586.91	64.11
Siriniwasa	422.61	58.22

#### *Management and protection of high conservation value sites (HCVs)*

PPL manages its HCVs by promoting natural regeneration and strictly controlling the spread of invasive species. Watcher patrol is increased and Estate Superintendent and Assistant Superintendent also frequently visit the HCVs to monitor the conditions and to identify the potential threats.

### **Stakeholder participation in forest management**

The Management of PPL follows a policy on Free, Prior, and Informed Consent accepting the rights and suggestions of the workers and other stakeholders which are helpful for effective management of its lands. Therefore, stakeholder participation is encouraged and used in management planning for the Estates whenever possible. The areas where the benefits are provided to the society are identified via stakeholder meetings and the supply of those benefits are monitored and recorded. Social Impact Assessment area conducted at regular intervals to identify the contribution of the forest management activities to the wellbeing of the community.

## **Resolution of the disputes**

The suggestions, grievances, and complaints of the workers and community members can directly be discussed with Sub-FMU Superintendent under the open-door complaint policy maintained by the Company. Those matters are recorded for taking further actions. The results are also conveyed to the affected party.

### ***Handling grievances and resolution of disputes***

The matters arisen in the union meetings or personal complaints such as disputes and grievances are handled by PPL Sub-FMU Management with efforts on good faith following an acceptable mechanism, as in the following sections. Those disputes may occur due to one of the following reasons.

- i. Dispute in the workplace with either a supervising officer or a co-worker
- ii. Difficulty in obtaining proper living or sanitary conditions
- iii. Disparity in wages earned against work done
- iv. Delay in payments
- v. Problems in working conditions
- vi. Physical or verbal assaults
- vii. Educational difficulties for children
- viii. Transport facilities for sick or injured persons
- ix. Disputes with a neighboring villager
- x. Insubordination
- xii. Assaulting or abusing a staff member or co-worker
- xiii. Theft or willful damage to estate property

### ***Procedure of resolving the complaints/ grievances***

- i. In the first instance, the aggrieved worker/ employee complains to his/ her immediate supervisor (Front Line Supervisor/ Field Officer) who makes a note of the matter and attempts to solve it. If he is unable to do so, the written complaint is forwarded via the Labor

Diary to the Assistant Superintendent/ Superintendent of the sub-FMU, who is the in charge of that particular division.

- ii. If it could be resolved by the particular person, the matter ends there as with the most cases. Usually a domestic inquiry is held and after the matter is clarified a decision is taken.

If it is an employment related matter, the worker could complain to the Assistant Commissioner of Labor who will then summon the Management for a discussion and attempt to solve it. In the event this fails, the worker could go to the Labor Tribunal for a relief.

If it is a matter concerning a legal issue, it is referred to the nearest Police Station requesting their assistance. Failure to do so at that level, a court action can be taken. In such circumstances, the actions are recorded in the Complaint Book of the office of each Sub-FMU of PPL. Actions taken at each step is recorded in the Complaint Book and the final outcome is also recorded. Then the final outcome of the disputes, grievance or complaint is passed to the person/s who raised the particular matter and it is also recorded in the Complain Book.

***Maintenance of confidentiality***

PPL assures the maintenance of the confidentiality of the person/s who made the complaint/grievance/had a dispute. Up on the request, the name of the aggrieved person will not be revealed even during the inquiries. Those files will be maintained by the estate superintendent in confidential manner. If the aggrieved person is a female, PPL accepts her right to be inquired with the presence of a female officer. If such officer is not available in the particular estate, the service will be obtained from a nearby estate.

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