

Bumi Teknokultura Unggul Tbk (BTEK)

Timber and pulp assessment

Total score:

4.4%

Latest update: July 2019

Next scheduled: No longer assessed

About this company: Headquartered and with forestry operations in Indonesia, Bumi Teknokultura Unggul Tbk (BTEK) is engaged in timber production, timber processing and manufacturing. Golden Harvest Cocoa Limited (GHCL) is the company's parent entity.

Parent company: Golden Harvest Cocoa Limited (GHCL)

Landbank 223,920 hectares

Market cap: 245,425,082 USD

Thomson Reuters ticker: BTEK,JK

Bloomberg ticker: BTEK:IJ

ISIN: ID1000098106

Activities: Timber production, timber processing and manufacturing

Locations: Indonesia (Banten, West Papua)

Headquarters: Indonesia

Website: <http://btek.co.id>
Latest annual report (2018)

Total:

5.5 / 124

4.4%



> Sustainability policy and leadership

0.5 / 11 4.6%

1. Sustainable forestry policy or commitment for all its operations?

✗ 0 / 1

2. Sustainability policy or commitment applies to all sourcing?

✗ 0 / 1

3. High-level position of responsibility for sustainability?

✗ 0 / 1

4. One or more board members have responsibility for sustainability?

✗ 0 / 1

5. Percentage or number of women board members?

P 0.5 / 1 [Source](#)

50% - The company does not explicitly report the percentage of women board members, but a photo indicates that two of four Directors are women.

6. Percentage or number of women in senior management team?

✗ 0 / 1

7. Sustainability report published within last two years?

✗ 0 / 1

8. Member of multiple industry schemes or other external initiatives to improve forest management or

✗ 0 / 1

transparency?		
9. Activities with government, NGOs or academic institutions to improve the sustainability of forest products?	✘	0 / 1
10. Climate risks assessment available?	✘	0 / 1
11. Natural capital assessment available?	✘	0 / 1



> Landbank, mills and traceability

25 / 21	11.9%	
⚠ 1 media report		
12. Lists countries and operations? In 2017, the company reported having logging operations in West Papua, Indonesia. However, it also referred to being involved in 'Planted Forest Industries' but did not specify where this occurred. It appears the company divested from all forestry operations in June 2018, but information on the company website and in the 2018 Annual Report refers to having forest concession and logging operations. Therefore partial points have been awarded.	P	0.5 / 1 Source
13. Total area of natural forest designated for wood/wood fibre production (ha)? 223,920 - The company reports this figure for forest concession rights as of December 2017, and reports divesting subsidiaries holding these rights in June 2018.	✓	1 / 1 Source
14. Total area of forest plantation (ha)?	✘	0 / 1
15. Area of plantation/natural forest within outgrower schemes (ha)?	✘	0 / 1
16. Unplanted (areas designated for future development as plantation forest) (ha)?	✘	0 / 1
17. Conservation set-aside and/or HCV area (ha)?	✘	0 / 1
18. Area of Intact Forest Landscape (ha)?	✘	0 / 1
19. Number of Forest Management Units (FMUs)? 2 - Two of the company's subsidiaries are listed in the GFW natural forest concessions dataset, but it is unclear if this represents all operations as the number of FMUs is not stated on the company's website.	P	0.5 / 1 Source
20. Maps of forest management units (FMUs)? Two of the company's subsidiaries are listed in the GFW natural forest concessions dataset, including maps, but it is unclear if this represents all operations as the number of FMUs is not stated on the company's website.	P	0.5 / 1 Source
21. Forest management plans available for all FMUs?	✘	0 / 1

22. Monitoring of forest management plan implementation?

23. Company has provided valid legal documents to Open Timber Portal on use rights (at the time of SPOTT assessments)?

This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.

24. Company has provided valid legal documents to Open Timber Portal on forest management (at the time of SPOTT assessments)?

This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.

25. Company has provided valid legal documents to Open Timber Portal on timber harvesting (at the time of SPOTT assessments)?

This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.

26. Number of company owned pulp and paper mills?

This indicator is disabled as the company's reporting broadly suggests that it does not own pulp or paper mills. Please note that ZSL has been unable to confirm this.

27. Maps or addresses of company owned pulp and paper mills?

This indicator is disabled as the company's reporting broadly suggests that it does not own pulp or paper mills. Please note that ZSL has been unable to confirm this.

28. Number of company owned sawmills?

29. Maps or addresses of company owned sawmills?

30. Number of supplier mills?

31. Maps or addresses of supplier mills?

32. Procedures to trace raw materials to country of harvest?

33. Procedures to trace raw materials to FMU level?

34. Percentage of supply traceable to country level (above 80%)?

35. Percentage of supply traceable to FMU level (above 75%)?



> Deforestation and biodiversity		
0 / 12	0%	
36. Commitment to zero conversion of natural forest?	✘	0 / 1
37. Zero conversion commitment applies to all sourcing?	✘	0 / 1
38. Commitment to minimise the impact of logging roads?	✘	0 / 1
39. Commitment to protect forest areas from illegal activities?	✘	0 / 1
40. Evidence of monitoring deforestation?	✘	0 / 1
41. Amount of deforestation recorded?	✘	0 / 1
42. Commitment to biodiversity conservation?	✘	0 / 1
43. Examples of species and/or habitat conservation management?	✘	0 / 1
44. Implementing a landscape-level approach to biodiversity conservation?	✘	0 / 1
45. Identified species of conservation concern referencing international or national system of species classification?	✘	0 / 1
46. Commitment to sustainably manage the use of non-timber forest products (NTFPs)?	✘	0 / 1
47. Commitment not to use genetically modified organisms?	✘	0 / 1



> HCV, HCS and impact assessments		
0 / 0	0%	
48. Commitment to conduct High Conservation Value (HCV) assessments?	✘	0 / 1
49. HCV commitment applies to all sourcing?	✘	0 / 1
50. Commitment to only use licensed High Conservation Value (HCV) assessors accredited by the HCV Resource Network's Assessor Licensing Scheme (ALS)?	✘	0 / 1

51. High Conservation Value (HCV) assessments available?	X	0 / 1
52. High Conservation Value (HCV) management and monitoring plans available?	X	0 / 1
53. Commitment to the High Carbon Stock (HCS) Approach?	X	0 / 1
54. High Carbon Stock (HCS) assessments available?	X	0 / 1
55. Commitment to conduct social and environmental impact assessments (SEIAs)?	X	0 / 1
56. Social and environmental impact assessments (SEIAs) available?	X	0 / 1
57. Company has provided valid legal documents to Open Timber Portal on impact assessments (at the time of SPOTT assessments)? This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.		



> Soils, fire and GHGs

0 / 14	0%	
58. Commitment to best management practices for soils and/or peat?	X	0 / 1
59. Commitment to reduced impact logging?	X	0 / 1
60. Commitment to no planting on peat of any depth?	X	0 / 1
61. Commitment on peatland planting applies to all sourcing?	X	0 / 1
62. Landbank or planted area on peat (ha)?	X	0 / 1
63. Evidence of best management practices for soils and/or peat?	X	0 / 1
64. Commitment to zero burning?	X	0 / 1
65. Commitment to zero burning applies to all sourcing?	X	0 / 1
66. Evidence of management and monitoring fires?	X	0 / 1
67. Details/number of hotspots/fires in FMUs controlled by the company?		

	✘	0 / 1
68. Time-bound commitment to reduce GHG emissions intensity?	✘	0 / 1
69. Progress towards reducing GHG emission intensity?	✘	0 / 1
70. Report GHG emissions from land use change?	✘	0 / 1
71. Methodology used to calculate GHG emissions?	✘	0 / 1



> Water, chemical and waste management

0 / 9 0%

72. Time-bound commitment to improve water quality (BOD and COD)?	✘	0 / 1
73. Progress towards commitment on water quality (BOD and COD)?	✘	0 / 1
74. Commitment to protection of natural waterways through buffer zones?	✘	0 / 1
75. Evidence of treatment of pulp and paper mill effluent? This indicator is disabled as the company's reporting broadly suggests that it does not own pulp or paper mills. Please note that ZSL has been unable to confirm this.		
76. Evidence of sawmill run-off containment and wastewater treatment?	✘	0 / 1
77. Time-bound commitment to improve water use intensity? This indicator is disabled as the company's reporting broadly suggests that it does not own pulp or paper mills. Please note that ZSL has been unable to confirm this.		
78. Progress towards commitment on water use intensity? This indicator is disabled as the company's reporting broadly suggests that it does not own pulp or paper mills. Please note that ZSL has been unable to confirm this.		
79. Commitment to eliminate chlorine and chlorine compounds for bleaching? This indicator is disabled as the company's reporting broadly suggests that it does not own pulp or paper mills. Please note that ZSL has been unable to confirm this.		
80. Commitment to minimise the use of chemicals, including pesticides and chemical fertilisers?	✘	0 / 1
81. No use of World Health Organisation (WHO) Class 1A and 1B pesticides?	✘	0 / 1
82. No use of chemicals listed under the Stockholm Convention and Rotterdam Convention?		

	X	0 / 1
83. Integrated Pest Management (IPM) approach?	X	0 / 1
84. Chemical usage per ha or list of chemicals used?	X	0 / 1



> Community, land and labour rights

15 / 22 68%

85. Commitment to human rights, referencing the UN Declaration on Human Rights or UN Guiding Principles on Business and Human Rights?	X	0 / 1
86. Commitment to human rights applies to all sourcing?	X	0 / 1
87. Commitment to respect indigenous and local communities' rights?	X	0 / 1
88. Commitment to respect legal and customary property rights?	X	0 / 1
89. Commitment to free, prior and informed consent (FPIC)?	X	0 / 1
90. FPIC commitment applies to independent suppliers?	X	0 / 1
91. Details of free, prior and informed consent (FPIC) process available?	X	0 / 1
92. Examples of local stakeholder engagement to prevent conflicts?	X	0 / 1
93. Details of process for addressing land conflicts available?	X	0 / 1
94. Commitment to support the inclusion of women across forestry operations, including addressing barriers faced?	X	0 / 1
95. Commitment to provide essential community services and facilities? The company reports it constructs roads and restores places of worship to improve the social facilities in the forest where the company operates, but does not have a commitment to provide service so partial points have been awarded for this indicator.	P	0.5 / 1 Source
96. Company has provided valid legal documents to Open Timber Portal on population rights (at the time of SPOTT assessments)? This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.		

97. Commitment to respect all workers' rights?	✘	0 / 1
98. Reference to Fundamental ILO Conventions?	✘	0 / 1
99. Commitment to eliminate gender related discrimination with regards to employment and occupation?	✘	0 / 1
100. Company has provided valid legal documents to Open Timber Portal on labour regulations (at the time of SPOTT assessments)? This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.		
101. Percentage or number of temporary employees?	✘	0 / 1
102. Percentage or number of women employees?	✘	0 / 1
103. Payment of minimum wage?	✘	0 / 1
104. Reporting of salary by gender?	✘	0 / 1
105. Commitment to address occupational health and safety, referencing the ILO Code of Practice on Safety and Health in Forestry Work?	✘	0 / 1
106. Time lost due to work-based injuries? The company reported an occupational accident rate in 2017, resulting in one casualty, but it is unclear what the data relate to.	P	0.5 / 1 Source
107. Number of fatalities as a result of work-based accidents?	✘	0 / 1
108. Provision of personal protective equipment and related training? The company reports that it provides safety equipment, and runs training in "Health & Work Safety" but it is not clear that this is provided for all employees therefore partial points have been awarded for this indicator.	P	0.5 / 1 Source



> Certification standards

0 / 14	0%	
109. Time-bound plan for achieving 100% third-party legality verification of FMUs or achieved?	✘	0 / 1
110. Time-bound plan to source only wood/wood fibre that is in legal compliance verified by a third party?	✘	0 / 1
111. Percentage area (ha) verified as being in legal compliance by a third party?	✘	0 / 1

	✘	0 / 1
112. Percentage of all wood/wood fibre supply traded/processed verified as being in legal compliance by a third party?		
	✘	0 / 1
113. Time-bound plan for achieving 100% FSC FM certification of FMUs or achieved 100% FSC-certification of FMUs?		
	✘	0 / 1
114. Commitment to source only wood/wood fibre that meets FSC Controlled Wood requirements?		
	✘	0 / 2
115. Percentage area (ha) FSC FM certified?		
	✘	0 / 2
116. Percentage of wood/wood fibre supply from outgrower scheme and/or independent suppliers that is FSC FM certified?		
	✘	0 / 2
117. Percentage of all wood/wood fibre supply traded/processed that are FSC certified (above 75%)?		
	✘	0 / 2
118. Percentage area (ha) PEFC certified (excluding FSC certified area)?		



> Smallholders and suppliers

		0 / 6	0%
	✘	0 / 1	
119. Programme to support outgrower scheme smallholders?			
	✘	0 / 1	
120. Percentage of outgrower scheme smallholders involved in programme?			
	✘	0 / 1	
121. Process used to prioritise, assess and/or engage suppliers on compliance with company's policy and/or legal requirements?			
	✘	0 / 1	
122. The company has a Due Diligence System (DDS)?			
	✘	0 / 1	
123. Suspension or exclusion criteria for suppliers?			
	✘	0 / 1	
124. Percentage of suppliers assessed and/or engaged on compliance with company requirements?			



> Governance and grievances

		1 / 6	16.7%
	✓	1 / 1	Source
125. Commitment to ethical conduct and prohibition of corruption?			

126. Company has provided valid legal documents to Open Timber Portal on legal registration (at the time of SPOTT assessments)?

This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.

✘ 0 / 1

127. Disclosure of the company's management approach to tax and payments to governments?

128. Company has provided valid legal documents to Open Timber Portal on taxes, fees and royalties (at the time of SPOTT assessments)?

This indicator is disabled as the company reports that it doesn't operate in a geography currently covered by Open Timber Portal.

✘ 0 / 1

129. Whistleblowing procedure?

✘ 0 / 1

130. Own grievance or complaints system open to all stakeholders?

✘ 0 / 2

131. Details of grievances disclosed?