

# Public Report Sustainable Forest Management System

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## PUBLIC AUDIT REPORT – SFM

TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: PT RIAU ANDALAN PULP AND PAPER

TOTAL HECTARES: 262,473 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 262,473 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification (HYBRID)

START DATE AUDIT: October 04, 2021

In signing this document the Audit team confirms that they have had no involvement with the company under audit in terms of consultancy, training, direct employment, etc. within the last 2 years and have no other involvement (financial, shareholding or commercial) that would constitute a Conflict of Interest

END DATE AUDIT: October 11, 2021

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Ence Hedi Hasan Zubaedi

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

HYBRID AUDITOR: Riyadi Sigit Pamungkas

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
Head Office PT Riau Andalan Pulp and Paper	Pangkalan Kerinci Village, Pangkalan Kerinci District, Pelalawan Regency, Riau Province – Republic of Indonesia	October 04 and 11, 2021
Meranti Barat Estate	Teluk Meranti Village, Teluk Meranti District, Pelalawan Regency, Riau Province - Republic of Indonesia	October 05 to 06, 2021
Ukui Estate	Lubuk Kembang Bungo Village, Ukui District, Pelalawan Regency, Riau Province - Republic of Indonesia	October 07 to 08, 2021
Baserah Estate	Gunung Melintang Village, Kuantan Hilir District, Kuantan Singingi Regency, Riau Province - Republic of Indonesia	October 9 to 10, 2021
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY- TO BE COMPLETED IF THE CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
Estate Cerenti	Munsalo Village, Kuantan Tengah District, Kuantan Singingi Regency, Riau Province - Republic of Indonesia	
Estate Logas	Petai Village, Singingi Hilir District, Kuantan Singingi Regency, Riau Province - Republic of Indonesia	
Langgam Estate	Segati Village, Langgam District, Pelalawan Regency, Riau Province - Republic of Indonesia	

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Pelalawan Estate	Pelalawan Village, Pelalawan District, Pelalawan Regency, Riau Province – Republic of Indonesia
Teso Estate	Gunung Sari Village, Gunung Sahilan District, Kampar Regency, Riau Province - Republic of Indonesia
Mandau Estate	Lubuk Jering Village, Sungai Mandau District, Siak Regency, Riau Province - Republic of Indonesia

#### Brief Description of the concession

PT Riau Andalan Pulp and Paper obtained the Permit of Utilization of Timber Forest Products in Industrial Plantation Forests (IUPHHK-HTI) based on the Decree of Minister of Forestry Number: 130/Kpts-II/1993 dated February 27, 1993, which have had four (4) amendments. The latest amendment is Decree of Minister of Forestry Number No. SK.180/Menhut-II/2013 dated March 21, 2013, covering an area of approximately 338,536 hectares in Regency of Siak, Pelalawan, Indragiri Hulu, Kampar, Kuantan Singingi, and Kepulauan Meranti, Riau Province.

The certification at PT Riau Andalan Pulp and Paper is a multi-site certification, where the registered work areas consist of nine (9) registered estates, as follows: Estate Pelalawan, Estate Langgam, Estate Teso, Estate Mandau, Estate Ukui, Estate Baserah, Cerenti Estate, Logas Estate, and Meranti West Estate. The following estates are not registered for certification, Pulau Padang Estate, Tasik Belat Estate, and Meranti East Estate. Therefore, the total area to be IFCC certified is 262,473 ha, and the wood products produced have a claim of 100% PEFC Certified.

PT Riau Andalan Pulp and Paper has a long-term management plan, namely the Revised Business Plan for Utilization of Timber Forest Products in Industrial Plantation Forests (RKUPHHK-HTI) which was ratified based on Decree No. 6058/MenLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019, concerning the Ratification of the Revised Business Plan for Utilization of Timber Forest Products in Industrial Plantation Forests (RKUPHHK-HTI) of 2017 to 2026 on behalf of PT Riau Andalan Pulp and Paper in Riau Province.

The spatial arrangement of PT Riau Andalan Pulp and Paper according to the Revised RKUPHHK-HTI are Local Protected Area and Other Protected Area of 59,096 ha (17.46%), Staple Plant area of 208,304 ha (61.53%), and Livelihood Plants area of 71,136 ha (21.01%), with a total of 338,536 ha.

Area to be certified, geographic coordinates, and species developed of PT Riau Andalan Pulp and Paper are:

1. Baserah Estate with an area of 24,855 ha, located at coordinates 101° 30' 00" to 101° 54' 00" East and 00° 07' 00" to 00° 25' 00" South with species developed being *Acacia mangium* and *Eucalyptus* sp.,
2. Cerenti Estate with an area of 30,040 ha, located at coordinates 101° 35' 00" to 101° 54' 00" East and 00° 29' 00" to 00° 43' 00" South with species developed being *Acacia mangium* and *Eucalyptus* sp.,
3. Langgam Estate with an area of 6,710, located at coordinates 100° 29' 00" to 100° 40' 00" East and 00° 06' 55" to 00° 11' 20" South, with species developed being *Acacia crassicaarpa*, *Acacia mangium*, and *Eucalyptus* sp
4. Logas Estate with an area of 24,090 ha, located at coordinates 100° 10' 51" to 100° 22' 57" East and 00° 03' 25" to 00° 12' 59" South with species developed being *Acacia mangium* and *Eucalyptus* sp.,
5. Mandau Estate with an area of 23,444 ha, located at coordinates 101° 07' 49" to 101° 20' 15" East and 00° 47' 45" to 00° 51' 00" North, with species developed being *Acacia crassicaarpa*, *Eucalyptus* sp.,
6. Pelalawan Estate with an area of 85,855 ha, located at coordinates 101° 57' 10" to 102° 26' 46" East and 00° 12' 15" to 00° 40' 00" North, with species developed being *Acacia crassicaarpa*
7. Teso Estate with an area of 37,205 ha, located at coordinates 100° 14' 00" to 101° 33' 00" East and 00° 10' 00" to 00° 42' 58" South with species developed being *Acacia mangium* and *Eucalyptus* sp.,
8. Ukui Estate with an area of 16,312 ha, located at coordinates 101° 18' 00" to 101° 33' 00" East and 00° 10' 00" to 00° 01' 00" South with species developed being *Acacia crassicaarpa*, *Acacia mangium* and *Eucalyptus* sp.,
9. Meranti West Estate with an area of 13,962 ha, located at coordinates 100° 14' 19" to 100° 23' 45" East and 00° 03' 53" to 00° 42' 58" South, with species developed being *Acacia crassicaarpa*.

Sampling for this recertification audit is the Meranti Barat Estate, Ukui Estate, and Baserah Estate, which have boundaries:

1. Meranti Barat Estate:
  - Northside: IUPHHK-RE of The Best One Uni Timber, IUPHHK-RE of PT Gemilang Cipta Nusantara
  - Southside: Kampar River
  - Eastside: Meranti Timur Estate

- Westside: Kutup River

#### 2. Estate Ukui:

- Northside: IUPHHK-HTI PT Arara Abadi
- Southside: Tesso Nilo National Park
- Eastside: Oil palm plantation of PT Musim Mas and PT Inti Indo Sawit Subur, Nilo River
- Westside : IUPHHK-HTI PT Arara Abadi

#### 3. Estate Baserah:

- Northside: Former HPH area of PT. Hutani Sola Lestari and PT. Nanjak Makmur (Tesso Nilo National Park)
- Southside: Oil palm plantation of PT. Wana Jingga Timur, community land
- Eastside: IUPHHK-HTI PT. Rimba Lazuardi
- Westside: Transmigration area

The climate type in the work area is A (Schmidt & Ferguson 1955), and the topographical conditions are mostly flat. The site conditions of the working area are peat and mineral soil. The species of plants developed are *Acacia crassicarpa*, *Acacia mangium*, and *Eucalyptus sp.*

The Management Unit has complied with Regulations related to improving Peat Governance, namely: PP. No. 57 of 2016 by revising Business Permit for Utilization of Timber Forest Products in Industrial Plantation Forest (RKUPHHK-HTI) for a period of 10 years for 2017 to 2026. Ratified based on the Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number: SK.28 / MenLHK-PHPL / UHP / HPL.1 / 1/2018. January 9, 2018. PermenLHK No. P.16 / Menlhk / Setjen / Kum.1 / 2/2017 by Compilation Documents of the Peat Ecosystem Recovery Plan has received the approval of the Director-General of Pollution and Environmental Damage Control No: S.50 / PPKL / PKG / PKL.0 / 5/2018, May 21, 2018. Adjustment of the Business Permit for Utilization of Timber Forest Products in Industrial Plantation Forest (RKUPHHK-HTI) for the 2017 to 2026 period for the 2018 to 2019 Activity Year was approved by the Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number: SK.5261MenLHK- PHPL / UHP / HPL. 8/2018. August 14, 2018. LHK Regulation No. P.10 / MenLHK / Setjen / Kum.1 / 2/2019 on The revision of Business Permit for Utilization of Timber Forest Products in Industrial Plantation Forest (RKUPHHK-HTI) for the 2017 to 2026 period was approved through the Decree of the Minister of Environment and Forestry Number: SK.6058 / MenLHK-PHPL / UHP / HPL.1 / 6/2019 dated June 28, 2019. There is a peat dome peak area covering an area of 9,330 ha spread over in three estates namely Langgam, Pelalawan, and Pulau Padang (Riparian area of 2,329 ha, KPPN covering an area of 315 ha, and KPSL of 345 ha, Buffer Zone of 3,217 ha, and ex-Livelihood Plant area of 3,124 ha).

### Description of the socio-economic conditions of the concession and the concession's social programs

The Management Unit has identified the rights of indigenous peoples or local communities as stated in the Environmental Impact Analysis (AMDAL) and Social Impact Analysis (SIA) documents. Before the implementation of the Annual Work Plan (RKT), routine socialization was carried out to the villagers where logging activities took place. RKT 2020 socialization documents are available for villages included in the RKT activities, which include socialization, vision, and mission, concession area boundaries, conservation areas, CD/CSR programs.

The residents around the work area are the surrounding community, most of whom work as farmers and gardeners. There are documents for cooperation in the management of industrial forest plantations with the communities around the concession in the form of cooperation for livelihood crops, the establishment of a Community with Fire Awareness (MPA), and the utilization of Non-Timber Forest Products (NTFPs) in the form of forest honey, rattan and freshwater fish.

The Management Unit has procedures for handling claims, complaints, and requests for assistance that govern the process of settling land claimed by the community. Mapping and conflict resolution reports in the first half of 2021 are available

and have been reported to the Riau Provincial Forestry Service. The document contains details of all land still controlled by the community around the concession, as well as the efforts that have been made to settle land claims by the community.

In terms of improving the community's economy, PT Riau Andalan Pulp and Paper has programs of Community Development (CD), Integrated Farming System (IFS/agribusiness), online and offline Program for Small and Medium Enterprises (UKM), school improvement, scholarship, vocational school, vocational training, education facilities and infrastructure assistance, health, and social infrastructure. The implementation of all programs has been assessed/evaluated by the University of Riau with an average score of "good".

According to the data recapitulation on forest management cooperation with the community in 2021 and interviews with governments, there are ongoing livelihood plant cooperations between the company and the surrounding community in West Meranti Estate. It is in the form of cooperation in planting rubber plants which are managed by the surrounding community and the results are used for village development. While in Ukui Estate, there is a health service cooperation agreement between the district health center and the company. There is a cooperation agreement for the use of non-timber forest products in the form of honey by conserving the sialang tree to be used sustainably by the surrounding community in Baserah Estate. The agreement is valid as concession permit period. There are twenty-two (22) members of the village conservation organization who use the sialang tree for economic purposes from honey utilization.

The Management Unit has carried out corporate social responsibility programs for the surrounding community. The implementation of the program in the sampling estate such as Estate Meranti Barat, which received an award as the Best CSR Program Executor from the Regent of Pelalawan within PT Riau Andalan Pulp and Paper for 2020. In Ukui Estate as well as Baserah Estate, the CSR program includes educational sectors such as school renovation assistance, student scholarship assistance, economics sector including micro, small and medium business assistance, infrastructure, and agriculture assistance.

### Description of the Ecological conditions of the concession

The Management Unit has carried out forest ecosystem and hydrological function management through the following activities:

- Identification of forest management activities that have significant impacts, and conduct environmental impact assessments through AMDAL, UKL, and UPL documents of PT Riau Andalan Pulp and Paper (Decrees of the Ministry of Forestry AMDAL Commission of 1994 and 1997, Governor of Riau Decrees of 2001 and 2006, Environment Feasibility Permits for each estate from the Regency Office of Investment and One-Stop Integrated Services, dated June 18, 2109, Environmental Permit Implementation Report for the second semester of 2020 and first semester of 2021 for each estate. These documents are being references for the procedures of the Management Unit such as for the monitoring of the negative impacts of forest management activities (SOP for monitoring protected areas, SOP for monitoring discharge and water quality, SOP for monitoring soil erosion, and SOP for monitoring subsidence and TMAT) and control the use of the hazardous and toxic materials (SOP for management of hazardous and toxic waste (B3), SOP for handling spills of fuel, lubricants and chemicals, SOP for weed control, and SOP for pest management and integrated diseases),
- Implementation of Reduced Impact Logging activities in stages before, during and after logging activities,
- Identification of areas functioned for soil and water protection which designated as a Local Protected Area and Other Protected Areas. The spatial layout of the soil and water protection area in the sample estate are:
  - Meranti Barat Estate: Local Protected Areas and Other Protected Areas of 1,364.9 ha (10.00%), of which the entire area is River Border,
  - Ukui Estate: Local Protected Areas and Other Protected Areas of 3,237 ha (19.87%), consisting of Buffer Zone of 1,222 ha (7.49 %), cultural/scientific conservation area of 4 ha (0.02%), and River Border of 2,011 ha (12.33%),
  - Baserah Estate: Local Protected Areas and Other Protected Areas of 4,015 ha (16.15%), consisting of KPPN of 271 ha (1.09%), Buffer Zone Tesso Nilo National Park of 389 ha (1.57%), and River Border of 3,276 ha (13.18%).

Biodiversity management is performed through the following activities:

- Identification and inventory of protected, endemic, rare, and threatened/near-extinct flora and fauna in the IUPHHK-HTI area per applicable regulations. The identifications cover the habitat and migration patterns of the key species. The results of the identification and inventory can be found in AMDAL, RKL, and RPL documents PT Riau Andalan Pulp and Paper, the Revised RKUPHHK-HTI of 2017 to 2026, Report on the Implementation of Environmental Permits in semester 2 of 2020 and semester 1 of 2021, and the flora fauna distribution map. Related to the flora and fauna, the Management Unit also performs the environmental impact assessment from the operational activities,
- Not cultivating genetically modified tree species, but *Eucalyptus* sp., *Acacia mangium*, and *Acacia crassicarpa*,
- Carried out the management of protected areas per the latest Report on the Implementation of Environmental Permits as well as SOP for Determining Protected Areas and SOP for Monitoring Protected Areas.

As for forest protection, the Management Unit has identified and monitored disturbances in sustainable forest management. The potential disturbances found in the concession area are plant pests and diseases, land and forest fires, illegal grazing, and the spill of hazardous and toxic waste from operational activities. Prevention steps performed by the Management Unit are by issuing procedures and referring every activity to the procedures, such as the prevention and handling of pest attacks, management of chemical pesticides in the field, field patrol, and implemented measures against fire hazards according to the level of vulnerability and applicable regulations. The forest protection activities are implemented ranging from pre-emptive, preventive, and repressive activities according to the level of disturbance.

### Results of the Public Consultation

Before carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted a public consultation commencing September 15, 2021, asking stakeholders to provide feedback and information about PT Riau Andalan Pulp and Paper. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to parties via e-mail or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders during the public consultation.

The audit team also collected information from the mass media about PT Riau Andalan Pulp and Paper, the reported cases being given material consideration as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the requirements needed for this certification process, which consist of legal aspects that include compliance with rules and regulations and international conventions. The management system has been built to cover all activities in the field of certification, which is registered for an area covering 262,473 hectares.

### Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.

Based on the results of the Recertification Audit of PT Riau Andalan Pulp and Paper, no Non-Conformities of either a Major or Minor nature were identified by the audit team.

### Conditions under which the certificate is issued

The certificate number: AJA/IFCC-PEFC/FMC-HT/00001/XII/2014 is valid until December 09, 2024, provided that PT Riau Andalan Pulp and Paper maintains its surveillance schedule and does not have any major Non-Conformities at the time of the next surveillance visit.