

# Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT RIAU ANDALAN PULP AND PAPER

TOTAL HECTARES: 262,524

SCOPE OF REGISTRATION: Sustainable Forest Management of 262,524 hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification

AUDIT START DATE: 9 October 2024

AUDIT END DATE: 17 October 2024

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

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Head Office	Jl. Lintas Timur, Pangkalan Kerinci, Kabupaten Pelalawan, Riau - Indonesia	9, 17 October 2024
Estate Baserah	Desa Gunung Melintang, Kecamatan Kuantan Hilir, Kabupaten Kuantan Singingi, Propinsi Riau	10-11 October 2024
Estate Ukui	Desa Lubuk Kembang Bungo, Kecamatan Ukui, Kabupaten Pelalawan, Propinsi Riau	12, 14 October 2024
Estate Meranti Barat	Desa Teluk Binjai, Kecamatan Teluk Meranti, Kabupaten Pelalawan, Propinsi Riau	15-16 October 2024
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY – TO BE COMPLETED IF CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
Estate Teso	Desa Gunung Sari, Kecamatan Gunung Sahilan, Kabupaten Kampar, Propinsi Riau	
Estate Langgam	Desa Segati, Kecamatan Langgam, Kabupaten Pelalawan, Propinsi Riau	
Estate Pelalawan	Desa Pelalawan, Kecamatan Pelalawan, Kabupaten Pelalawan, Propinsi Riau	
Estate Cerenti	Desa Munsalo, Kecamatan Kuantan Tengah, Kabupaten Kuantan Singingi, Propinsi Riau	

# AJA EUROPE SRL

PUBLIC AUDIT REPORT – SFM

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



Estate Logas	Desa Petai, Kecamatan Singingi Hilir, Kabupaten Kuantan Singingi, Propinsi Riau
Estate Mandau	Desa Lubuk Jering, Kecamatan Sungai Mandau, Kabupaten Siak, Propinsi Riau

#### Brief Description of the concession

PT Riau Andalan Pulp and Paper received a forest management license, namely Forest Utilization Business License (PBPH) (previously IUPHHK-HTI) since 1993 with several changes, as follows :

- Minister of Forestry Decree No. 130/Kpts-II/1993 dated 27 February 1993.
- 1st Addendum: Decree of the Minister of Forestry No. 137/Kpts-II/1997 dated 10 March 1997.
- 2nd Addendum: Decree of the Minister of Forestry No: SK. 356/Menhut-II/2004, dated 1 October 2004.
- 3rd Addendum: Minister of Forestry Decree No: SK. 327/Menhut-II/2009, dated 12 June 2009.
- 4th Addendum: Minister of Forestry Decree No: SK. 180/Menhut-II/2013, dated 21 March 2013 area 338,536 Ha.
- PBPH Decree SK.827/MenLHK/MenLHK/Setjen/HPH.0/9/2021 dated 21 September 2021.

The Organization has a long-term management plan document for a period of 10 years, namely the Amendment of RKUPH 2023 document which was ratified by the Decree of the Minister of Environment and Forestry No. SK.7977/MenLHK-PHL/PUPH/HPL.1/8/2023 dated August 4, 2023. This RKUPH Amendment Document is a Multi-Business RKUPH, namely wood, Non-Timber Forest Products and Environmental Services. The utilization of Environmental Services is still on progress. The document indicates a change in the certified area from 262,473 Ha to 262,524 Ha. This change was caused by the determination of the work area boundaries. In the Estate registered for certification, some have not received the Work Area Determination Decree because it is still in the process. The certified area is now 262,524 Ha.

Based on the description above, it can be concluded as follows:

- The working area of PT Riau Andalan Pulp and Paper based on SK PBPH SK.827/MenLHK/MenLHK/Setjen/HPH.0/9/2021 dated September 21, 2021 is 338,536 Ha. In the IFCC certification, there are Estates that are not registered for certification, namely Pulau Padang Estate, Tasik Belat Estate and Meranti Timur Estate. So the area registered for certification based on the SK is 262,254 Ha.
- The area contained within the Organization's managed forest area (Forest Area) is 262,254 Ha.
- The certified area is 262,524 Ha.

The work area based on SK PBPH SK.827/MenLHK/MenLHK/Setjen/HPH.0/9/2021 dated September 21, 2021 is 338,536 Ha. However, after the boundary was determined, the work area became 338,634 ha. In the IFCC certification, there are Estates that are not registered for certification, namely the Pulau Padang Estate, Tasik Belat Estate and East Meranti Estate. The forest area registered for certification is 262,524 Ha. The certified estates of PT Riau Andalan Pulp and Paper after the determination of area boundaries are as follows:

1. Baserah covering an area of 24,966 ha, a cultivation area of 20,942 ha and a protected area of 4,024 ha
  2. Cerenti covering an area of 30,557 ha, a cultivation area of 24,413 ha and a protected area of 6,144 ha
  3. Langgam covering an area of 6,739 ha, a cultivation area of 5,320 ha and a protected area of 1,419 ha
  4. Logas covering an area of 24,652 ha, a cultivation area of 17,825 ha and a protected area of 6,827 ha
  5. Mandau covering an area of 23,560 ha, a cultivation area of 20,927 ha and a protected area of 2,633 ha
  6. Pelalawan covering an area of 85,635 ha, a cultivation area of 74,406 ha and a protected area of 11,229 ha
  7. Meranti Barat covering an area of 13,795 ha, cultivation area of 12,387 ha and protected area of 1,408 ha
  8. Teso covering an area of 36,925 ha, cultivation area of 30,450 ha and protected area of 6,475 ha
  9. Ukui covering an area of 15,696 ha, cultivation area of 12,389 ha and protected area of 3,307 ha
- Total cultivated area of 219,059 ha, and protected area of 43,465 ha, total certified area of 262,524 ha.

The total area of PT Riau Andalan Pulp and Paper according to the Amendment of RKUPH 2023 is 338,634 ha (100%). The area is consisting of the following functions:

1. Protected Area of 60,118 ha (17.75%), consists of:

- a. Buffer Zone of 7,834 ha (2.31%)
- b. River boundaries of 46,677 ha (13.78%)
- c. KPPN of 2,136 ha (0.63%)
- d. KPSL of 345 ha (0.10%)
- e. Utilization of Environmental Services of 3,126 ha (0.92%)
  - Utilization of environmental services (carbon absorption) –
  - Environmental restoration 3.126 ha (0,92%)
    - FLEG (Peat Dome Peak) of 2,480 ha (0.73%)
    - FBEG (Peat Dome Peak) of 646 ha (0.19%)
2. Cultivation Areas of 278,516 ha (82.25%)
  - a. Utilization of timber forest product plantation forest of 266,924 ha (78,82%)
    - Self-management pattern of 260,924 ha (76.94%)
    - Partnership pattern of 6,383 ha (1.89%)
  - b. Utilization of timber forest product of rubber in forestry partnership pattern of 1,548 ha (0.46%)
  - c. Utilization of environmental services (carbon absorption) –
  - d. Infrastructure of 10,044 ha (2.97%).

There are Peat Dome Peak area of 9,332 Ha which spread on:

- River boundary of 2,329 Ha
- KPPN of 315 Ha
- KPSL of 345 ha
- Buffer Zone of 3,217 Ha
- Peat Dome peak 3,126 Ha

Environmental Services activities are in the form of environmental recovery, absorption and or carbon storage following the mitigation action draft document (DRAM). It is located on the entire area of forestry partnership covering an area of 7,931 Ha, which spread on Estate Logas of 1,576 Ha, Estate Meranti Barat of 4,722 Ha, and Estate Pulau Padang of 1,633 Ha.

The sample estates in this Recertification Audit are Estate Baserah, Estate Ukui, Estate Meranti Barat The description for the sample estates are as follows:

- Estate Baserah of 24,966 ha consists of 20,942 ha of cultivation area and 4,024 ha of protected area. It is located at coordinates 101°29'32' - 101°52'55' East and 00°0'33' - 00°24'50' South with the types developed are *Acacia mangium* and *Eucalyptus* sp.
- Estate Meranti Barat of 13,795 ha consists of 12,387 ha of cultivation area and 1,408 ha of protected area. It is located at 102°25'14" - 102°47'54" East and 00°11'34" - 00°24'00" North, with the species developed are *Acacia crassicarpa*, *Hevea brasiliensis* (rubber), *Melaleuca* sp.
- Estate Ukui of 15,696 ha consists of 12,389 ha of cultivation area and 3,307 ha if protected area. It is located at 101°51'37" - 102°03'03" East and 00°03'06" - 00°12'06" South, with the species developed are *Acacia crassicarpa*, *Acacia mangium*, *Shorea* sp dan *Eucalyptus* sp.

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

The residents around the concession of PT Riau Andalan Pulp and Paper is local community. Based on the Social Impact Assessment Report, the livelihoods of the residents are dominated by the agricultural sector, as farmers/laborers, breeders, then traders, civil servants, entrepreneurs and others.

PT Riau Andalan Pulp and Paper has a procedure for submitting and resolving complaints from workers. Based on field verification in villages around the concession, there is an announcement sticker that contains a phone number if the local community has a complaint to the Organization. There are Grievance reports from communities around the concession



which are recorded in the following forms: reference number, date received, complainant, description, progress, status. Based on the Grievance Logbook Report of 2024 for the period January – September 2024, there were no complaints from the surrounding community to the three sample estate.

There are cooperation agreement with the community in livelihood plant cooperation. This livelihood plant is in the types of acacia and rubber plant. The cooperation is in the form of giving benefit (fees) to the community. The Organization builds rubber plantations, and after proper harvesting, the community conducts management and utilizes the harvest. The Organization pays PSDH (Forest Resources Provision). There is a cooperation agreement in the utilization of sialang honey as well. PT Riau Andalan Pulp and Paper has developed a forestry-based local economy and has provided opportunities for local communities to obtain jobs and training.

Based on the list of MSME Development Partners in 2023, there are 44 MSME partners who are still active, including engaged in motorcycle workshops, sewing, batik, catering, drinking water depots, honey, transport carts, videography/photography, etc.

Below is the description of the Community Development (CD) program from the Organization in every sample estate:

#### **Estate Baserah**

According to the data of MSME Development Partners, there are 8 local contractor partners in Estate Baserah. They provide manpower supply, operational transportation rentals, heavy equipment rentals, etc. Until December 2023, the realization of the CD Program in 2023 is 65.13% of what was planned. The realization of the CD Program in 2024 until September was 53,84%. Organizations can further increase the realization of CD budget in the following years. Based on August 2024 Estate Baserah Manpower Data, 212 people (73.61%) being local workers among the workers.

#### **Ukui Estate**

The realization of the CD Program in 2023 was 79,60% of what was planned. As for the realization of the CD Program in 2024 until September was 58,77,77%.

#### **Estate Meranti Barat**

According to the data of MSME Development Partners, there are 8 local contractor partners in Estate Meranti Barat. They provide barging pontoon, manpower supply, transportation rentals, and culinary. Based on data from employees of Estate Meranti Barat, there are 148 workers, as many as 18 of them are local workers. Here, there is a rubber plantation that comes from the cooperation between the company and the surrounding village community. Currently, rubber plantation management is carried out by the surrounding community, so they can hire a lot of labor from the surrounding villages. The realization of the CD Program in 2023 was 66.02% of what was planned. The realization of the CD Program in 2024 until September was 91,024%.

#### **Description of the Ecological conditions of the concession**

The sample in this Recertification Audit, Estate Baserah, has mineral soil. While Estate Ukui has both mineral and peat land. As for the Estate Meranti Barat, the site is in the form of peatland.

#### **Estate Baserah**

The area of Estate Baserah is a dry land mineral land with soil types consisting of chromic Podzolic, chromic oxisol and Kambisaol districts with geological formations of mudstone, siltstone, sandstone, tufit, fine-grained tefra of 14,835 ha. While the soil type is Podzolic, district Cambisole and chromic oxisol with geological formations of fine-grained Tefra, tufit, mudstone, siltstone, sandstone, alluvium, young River, old sand gravel covering an area of 10,020 ha. The area is mostly has mild sloping topography (8-15 %) with an altitude of 10-160 m above sea level. The protected area of Estate Baserah is 4,015 ha (16.16%) consists of 389 ha (1.57%) of Buffer zone of Tesso Nilo National Park, 3,355 ha (13.50%) of river boundary and 271 ha (1.09%) of KPPN/KPSL.

#### Estate Ukui

The area of Estate Ukui site is covered by mineral of 9,725 ha (59.62%) and peat of 6,587 ha (40.38%). It has a flat topography (0-8%) of 12,735 ha and mild sloping (8-15%) of 3,577 ha with an altitude of 0-160 m above sea level. The protected area of 3,236 ha (19.84 %) consists of 1,222 ha (7,497%) of Buffer zone of Teso Nilo National Park and 2,014 ha (12.35%) of river boundary.

#### Estate Meranti West

This site is a peatland with the soil type composed by fluvaquents, tropaquents, Tropohemists dan Troposaprissts, tropofibrists, with geological formations of young River Alluvium, peat. The topographic conditions is flat (0-8%). The protected area of 8,526 ha (19.65 %) is a river boundary.

The Organization has carried out maintenance or appropriate enhancement of forest resources and their contribution to the global carbon cycle by having environmental planning documents. There are ANDAL Addendum documents, RKL-RPL, and environmental permit which has been approved by the relevant agencies. The carbon estimation has been performed through the installation of Green House Gas (GHG) in Estate Teso, Pelalawan dan Meranti.

The Organization has been maintaining the health vitality of forest ecosystems by implementing and establishing operational standards that support the maintenance of adequate genetic, species and structural diversity to improve the health and vitality of forests against adverse environmental factors and strengthen natural regulatory mechanisms, namely SOP Designation of Protected Areas, SOP Forest Protection, SOP Management and Monitoring of Protected Areas, etc.

The Organization does not use modified species and development of natural saplings extracted from local species for enrichment of feed plants and mixed forests in protected areas to protect genetic, species and structural diversity in protected areas. They do not use fire for forest management practices as stipulated in RKUPH.

#### Results of the Public Consultation

Prior to conducting Recertification Audit on PT Riau Andalan Pulp and Paper, PT Acube TIC International has made a public announcement and public consultation. Invitation to public consultation to stakeholders to obtain input as materials/consideration through the website [www.ajaindonesia.com](http://www.ajaindonesia.com) on September 9, 2024. The stakeholders can provide input for audit considerations to PT Acube TIC International email. During the public consultation, PT ACube TIC International did not receive any input.

We have received news from online platforms regarding PT Riau Andalan Pulp and Paper, which has been forwarded by IFCC for confirmation. The reported cases are considered as part of the PT ACube TIC International audit process:

1. <https://www.potretnews.com/berita/baca/2024/01/14/sekat-kanal-rapp-di-desa-dedap-kabupaten-kepulauan-meranti-jebol-diterjang-banjir-ratusan-rumah/>.
2. <https://www.satuju.com/berita/6650/dugaan-pencemaran-limbah-kanal-pt-rapp-mengalir-ke-tali-air-masyarakat-di-desa-tanjung-padang.html>.
3. <https://www.sabangmeraukenews.com/berita/19375/tragis-pekerja-kebun-sawit-di-siak-tewas-dimangsa-harimau-sumatera-kepala-korban-dikabarkan-putus.html>.
4. <https://detakindonesia.co.id/read/detail/11481/pekerja-kontraktor-pt-rapp-tewas-di-sungai-siak/>.

The news has been confirmed to the Organization and the verification is as below:

1. The incident was occurred in Pulau Padang Estate, which is not included in the scope of IFCC certification.
2. The incident was occurred in Pulau Padang Estate, which is not included in the scope of IFCC certification.
3. This incident did not occur in the concession area of PT Riau Andalan Pulp and Paper.



4. This incident did not occur within the concession area of PT Riau Andalan Pulp and Paper, nor is the harbor owned by the Organization.

The Organization has identified all the necessary requirements for this certification process, which consists of legal aspects that include compliance with regulations and international rules and conventions. The management system has been built to cover all activities in the certification area, which is registered for certification covering an area of 262,524 hectares.

#### **Organisation progress record related to corrective action on findings of nonconformities in previous audit**

The result of Transition IFCC ST 1001:2021 + Surveillance 2 Audit is no non-conformity either in minor or major category. The management system operates effectively.

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

The result of Recertification Audit is no non-conformity either in minor or major category. The management system operates effectively.

#### **Conditions under which the certificate is issued**

Certificate number AJA/IFCC-PEFC/FMC-HT/00001/XII/2014 is valid until December 09, 2027, provided that PT Riau Andalan Pulp and Paper maintains its Surveillance schedule and does not have potential major non-conformity at the next Surveillance.