

Public Report Sustainable Forest Management System

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JOB NUMBER: AJA/IFCC-006

CLIENT NAME: PT Riau Andalan Pulp and Paper (RAPP)

TOTAL HECTARES: 248,511 hectares

SCOPE OF REGISTRATION: Sustainable Forest Management in Plantation Forest covering an area of 248,511 hectares in Riau Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1

AUDIT START DATE: November 20, 2015

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

AUDIT END DATE: November 28, 2015

LEAD AUDITOR: R Sigit Pamungkas (Ecology)

SIGNATURE:

AUDIT TEAM: Roy Adam (Production)

SIGNATURE:

Abdul Salam (Social)

SIGNATURE:

I Wayan Sudi Antara (Ecology)

SIGNATURE:

Utomo (Production)

SIGNATURE:

Tata Sumitra (Social)

SIGNATURE:

MAJOR CARs: 1

MINOR CARs: 9

RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION (No CARs raised or CARs closed out on site):	<input type="checkbox"/>
RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION FOLLOWING OFF-SITE VERIFICATION OF CAR RESPONSES (CARs raised):	<input checked="" type="checkbox"/>
RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION FOLLOWING ON-SITE VERIFICATION OF CAR RESPONSES (CARs raised):	<input type="checkbox"/>
NON RECOMMENDATION FOR CERTIFICATION/CONTINUED CERTIFICATION (Evidence Of Major System Failure):	<input type="checkbox"/>

SELECT OPTION

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SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY (If more than 4 sites have been visited please add additional rows):	DATE OF EACH SITE VISIT:
Ukui Estate	Ukui District, Pelalawan Regency, Riau Province - Indonesia	November 21 to 22, 2015
Baserah Estate	Kuantan Hilir District, Kuantan Singingi Regency, Riau Province - Indonesia	November 23 to 24, 2015
Mandau Estate	Sungai Mandau District, Siak Regency, Riau Province - Indonesia	November 25 to 27, 2015
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 (If more than 4 additional sites have been registered please add additional rows)	
Pelalawan Estate	Pelalawan Village, Pelalawan District, Pelalawan Regency, Riau Province - Indonesia	
Langgam Estate	Segati Village, Langgam District, Pelalawan Regency, Riau Province - Indonesia	
Teso Estate	Gunung Sari Village, Gunung Sahilan District, Kampar Regency, Riau Province - Indonesia	
Logas Estate	Petai Village, Singingi Hilir District, Kuantan Singingi Regency, Riau Province - Indonesia	
Cerenti Estate	Munsalo Village, Kuantan Tengah District, Kuantan Singingi Regency, Riau Province - Indonesia	
Meranti Estate	Teluk Binjai Village, Teluk Meranti District, Pelalawan Regency, Riau Province - Indonesia	
REF No:	ADDRESSES OF INSTALLATION SITES (CLIENT'S CUSTOMER SITES) VISITED AND NOT COVERED DIRECTLY BY THE COMPANY REGISTRATION INCLUDING COUNTRY (If more than 2 installation sites have been visited please add additional rows)	
	Not Applicable,	

Brief Description of the concession and its natural and socio-economic conditions.

PT RAPP is a national company that has business units of pulpwood concessions, which are in accordance with Addendum 4: Ministerial Decree, dated March 21, 2013. The Management Unit has been carrying out boundary marking on the licensed areas, which currently are in the majority, while 20% are in the process of ratification by the Ministry of Forestry. The Management Unit has compiled a Revision of RKUPHHK-HTI for the 10-year period 2010-2019, which has been ratified by Ministerial Decree dated December 22, 2010. The arrangement of plantations under this document consists of staple crops of 225,124 ha (64.3%), seed crops covering an area of 34,980 ha (10.0%), plant life covering an area of 17,461 ha (5.0%), protected areas covering 48,330 ha (13.8%), facilities covering an area of 8,097 ha (2.3%), and non-productive areas covering 16,173 ha (4.6%).

The Management Unit prepared a Revised Work Plan for Utilization of Forest Wood Industrial Plantation Forest (HTI-

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RKUPHHK) for the 10-year period of 2010-2019, which has been approved by the Ministry of Forestry on December 17, 2013. The revision was due to the changes in the area IUPHHK -HT previously an area of 350,165 hectares, becoming an area of 338,536 ha in accordance with Addendum SK-HTI IUPHHK dated March 21, 2013. The spatial plan HTI according to the latest revision of RKUPHHK-HTI consists of staple crops covering an area of 218,478 ha (64.5%), featured plants covering an area of 34,468 ha (10.2%), plant life covering an area of 17,514 ha (5.2%), protected areas covering 49,706 ha (14.7%), facilities covering an area of 7,745 ha (2.3%), and similar areas to productive area of 10,623 ha (3.1%).

PT RAPP has business units of pulpwood concessions under the IFCC sustainable forest management system of total area 248,511 hectares, consisting of the following estates: Baserah 24,855 ha, Cerenti 30,040 ha, Langgam 6,710 ha, Logas 24,090 ha, Mandau 23,444 ha, Pelalawan 85,855 ha, Tesso 37,206 ha and Ukui 16,311 ha..

The Management Unit has complied with all regulations and legislation related to forest management practices, environmental protection, protected and endangered species, and the rights of indigenous peoples and local communities in relation to the ownership and use of land, plus the issue of occupational health and safety (K3). The Management Unit has also posted all the laws and regulations in soft copy on the RAPP Intranet Website while a hard copy is also available on request.

Besides the RKUPHHK, the Management Unit also has its Annual Work Plan (AWP) documents, which detail the targets in forest management planning for each individual year.

1. Monitoring and evaluation of operational activities on the ground are undertaken through supervision by foremen and assistants, as well as evaluation of the results of implementation of the activities through:
 - Plantation Quality Assessment (PQA) for planting and crop maintenance activities.
 - Harvesting Quality Assessment (HQA) for logging.
 - Residual Wood Assessment (RWA) for monitoring of logging waste. Maximum level for RWA is 5 m³ / ha, and in 2015, the maximum level for RWA was 3 m³ / ha. In 2015, the actual RWA results were: for Sector Ukui 1.3 m³ / ha, Sector Baserah at 1.6 m³ / ha, and Sector Mandau at 1.7 m³ / ha.
 - Environmental Assessment (EA).

The Management Unit has structured the work area to include the following:

- a) Staple Plant area, which is the area allocated for planting of *Acacia crassicarpa* (in wetland / marsh areas), *Acacia mangium* (mineral soils), and *Eucalyptus spp.* Settlement activities in the work area of the staple crop area were noted in the Ukui, Baserah, and Mandau estates. Demarcation between compartments in the field is generally in the form of natural boundaries (canal, road, or contour), and the age of the plants. By orders of the Management Unit, each compartment (plot) is also identified by they use of wooden stakes or Paralon pipe that contain information about the name of the estate, plot number, type of plants, swath, and planting date.
- b) Featured Indigenous Plants local types. Based on the revised 10-year Management Plan RKU-PHHKHTI IHMB for the period 2010-2019, selective logging is the silvicultural system that will be used for the management of crop seeds.

The Management Unit has implemented the principles of P (Plan), D (Do), C (Check), A (Action) in the management area IPUHHK-HTI PT. RAPP covering production, ecological and social aspects.

The principle of continuous improvement continues to be implemented across the entire forest operations.

The Management Unit has demonstrated long-term commitment to sustainable forest management in accordance with the requirements of this standard, as the following indicates:

1. There is strong commitment to the Standards of Sustainable Forest Management (SFM). The fulfillment of this commitment includes, but is not limited to, the following activities: structuring the region, forest planning, forest development, forest protection, environmental management, human resources development, empowerment of forest communities, conflict resolution by promoting consensus in deliberations on the use of natural resources.
2. The mission statement displays a commitment to sustainable forest management with implementation of the business policies presented in the documents on Environmental, Social, Health and Safety Policies.
3. PT. RAPP is a member of the APRIL Group and has incorporated the APRIL Group policies in Sustainable Forest Management 2.0 (APRIL SFMP 2.0) dated June 3, 2015, which contain commitment to the following:
 - Long-Term Sustainability
 - Conservation and Forest Protection



- Peatland Management
- Continuous Reduction of Carbon Footprint
- Proactive Support of Local Communities
- Respect of the Rights of Indigenous Peoples and Communities
- Responsible practices in the Territory of Work
- Legal Compliance and Certification
- Sound Corporate Governance, Verification and Transparency

PT RAPP carries out monitoring and evaluation in relation to aspects of the production, the environment (physical, chemical, biological) and socio-economic culture of communities in forest management in accordance with the plans and procedures that have laid down. Monitoring and evaluation of activities form an ongoing program that is based on the RKL-RPL documents (Environmental Management Plan and Environmental Monitoring Plan), and the guidelines of major Independent Certification Bodies, as well as by other environmental research documents. The scope of this environmental monitoring covers the whole concession area of PT. RAPP and is related to the implementation of HTI development activities, which are grouped as follows:

- a. Components of Physical Chemistry, where soil (mineral and peat), water and air are monitored.
- b. Biological components, where growth of crops, pest and disease control, and biodiversity are monitored.
- c. Socio-Economic Cultural components, where monitoring includes Community Development (CD).

Production Aspects:

Monitoring and evaluation activities related to aspects of production include the following:

- a. For events prior to the actual felling, Pre-Harvesting Inventory (PHI 54) is undertaken at age 54 month to determine the standing stock.
- b. PT. RAPP conducts a pre-harvest assessment (micro plan) in order to minimize damage to the field during harvesting activities.
- c. PT. RAPP assesses the amount of logging waste on the completion of harvesting the wood.
- d. PT. RAPP also assesses the quality of the logging carried out.
- e. After handing over, the compartment is then held for planting and maintenance.
- f. To monitor plant growth, PT. RAPP implements monitoring assessments of the plantation at age 6 months (PMA.6), age 18 months (PMA.18), inventory rotation at mid-age 30 months (MRI), and PHI.42 at 42 months.

Ecological Aspects:

Monitoring and evaluation of activities form an ongoing program that is based on the RKL-RPL documents (Environmental Management Plan and Environmental Monitoring Plan), and the guidelines of major Independent Certification Bodies, as well as other environmental research documents. The scope of this environmental monitoring covers the whole concession area of PT. RAPP and is based on Decree 180 / Menhut-II / 2013, but with particular focus on the areas that have been approved in the Annual Work Plan (RKT).

Chemical monitoring of physical components includes the following: monitoring of changes in the microclimate, reduction in soil fertility, soil compaction, soil erosion, water level (TMA) on peat, peat subsidence, pyrite oxidation, carbon emissions, emission generators, discharge and water quality.

Monitoring of the biological components includes the following; monitoring of flora and fauna, monitoring of plant pests and diseases, and monitoring of disorders in protected areas. The occurrence of disorders in protected areas can be caused by both internal and external factors. Internal factors are usually caused by the establishment of camps around the river banks, damage by heavy equipment and impacts due to harvesting activities. External factors, meanwhile, are usually a result of illegal logging, illegal mining, encroachment, fire, wind, or other natural disasters.

The socio-economic cultural components encompass the monitoring of the CD / CSR programs, level of people's satisfaction with the existence of PT. RAPP, and monitoring of social governance.

PT. RAPP summarizes the monitoring and evaluation of its forest management activities, through:

- a. Sustainability Reports (SR), which have been prepared every two years since 2006.
- b. Forest Management Plans, which have been prepared annually since 2014.

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The information presented covers the general condition of the company, implementation of the management of plantations, and social and environmental governance. Environmental management and monitoring is based on a sustainable program along RKL-RPL, guidelines of major Independent Certification Boards, and environmental assessment reports such as HCVF, a special study of peatlands by Crea IPB.

Management of documentation and reports on implementation monitoring of the logging environment has been provided and each semester, or 6 months, these are delivered to the relevant agencies. These include all the activities of environmental protection covering the fields of physical chemistry, biology (protected and endangered species), as well as social parameters.

In peatland ecosystems (lowland), peat soil management includes the following activities:

1. Management of the water system on peatlands to combat subsidence.
2. Clearing is carried out gradually in small plots.
3. Increased optimization of open areas by clearing forest areas and land preparation.
4. Optimizing the dry season for land clearing activities.

PT RAPP maintains and improves the habitat for protected flora and fauna, while the Management Unit carries out the following activities to identify and monitor forest disturbances:

1. Socialization about the conservation area (together with the socialization of the Annual Work Plan (RKT) 2015 to the surrounding village communities.
2. Public consultation with the surrounding community in relation to the existence of flora and fauna, ecosystems and landscape.
3. Regular patrols to monitor for forest fires that can result in forest disturbances.
4. Establishment of forest fire hazard map on the scale of 1: 50,000 (hot spots)
5. Monitoring Fire Danger Rate (FDR) status of the area to ensure it is at a safe level or on standby.
6. Coordinate with the community Fire Care (MPA) unit in each village.
7. Establishment of emergency response teams (firefighters).
8. Upgrading of the firefighting infrastructure (fire observation towers, operational vehicles and extinguishers).
9. Monitoring of forest pests and diseases, and coordination with Research and Development unit. (Early Warning System)
10. Document each fire occurrence, together with illegal logging and forest encroachment in coordination with the local police authorities.
11. Conducting training in relation to increased capacity and number of human resources (HR)
12. Monitoring for plant pests and diseases is carried out through observation: Plantation Monitoring Assessment (PMA) 18 months, Mid-Rotation Inventory (MRI), Pre-Harvest Inventory (PHI), repeated in 2015.
13. Ganoderma and Root Rot have been identified as the most common types of pests and diseases that potentially attack plants.
14. Allocation of spatial bulkheads is made to prevent the natural spread of various pests and plant diseases.
15. Only quality seeds are provided for planting.

3. Social Aspects:

- The Management Unit has identified, appreciates, recognizes and respects the rights of the indigenous peoples and local communities in terms of ownership, control and use of both land and forest resources.
- In regard to the community surrounding the working area. PT RAPP has taken steps to improve their economic interests by permitting them to fish and collect honey from within the RAPP plantation forest area.
- The equitable nature of the agreement with the community surrounding and within the RAPP area, which takes into account rights and obligations as well as costs and benefits, can best be seen by the establishment of the Conservation Village (LKD), community fire care units, conservation partnership program, and the MOU agreed with the villagers in regard to their use of NTFPs.
- The Management Unit has to assess the impact of the planned forest management activities on the indigenous peoples and local community. This comprises the social impact from both the economic and socio-cultural aspects, which includes: public perception of the Management Unit, perception of the environment and the benefits of Natural Forest Resources, business opportunities, provision of public health, education, employment, income generation and the contribution of the Management Unit community to regional development.



- The implementation program that PT RAPP carries out commences from funding the program as determined by the village, socialization of the budget and ends with reporting on the results of the community empowerment activities. Community empowerment for 2015 is contained in the Report of the Environmental Permit IUPHHK-HTI.
- Village consultation is a way to ascertain the aspirations of the people in and around the village at the site of the concession in a participatory manner, namely to disseminate the Annual Work Plan (RKT) for the current year, provide a means for evaluating the implementation of Community Development (CD) / Corporate Social Responsibility (CSR) in past years, and discuss planning and issues in order to plan and budget CD / CSR in the Annual Work Plan.

The public's right to NTFP (Non-Timber Forest Products) has been carefully carried out to provide community access to NTFP that include honey and fish without damaging the plants or environment, and taking care of the main crop that has been planted.

For the utilization of NTFP, the Management Unit has provided access roads for the farmers / community to utilize and undertake the process of collecting the honey.

It is the responsibility of the farmers to maintain the existence of the beehive tree, which is in a good location within the RAPP forestry plants.

In implementing conflict resolution in relation to the impact of forest management activities, PT RAPP uses mechanisms related to indigenous peoples' rights based on customary law and the property rights of local communities, or formal law as applicable.

The Management Unit has studied the social impact of the Company, specifically on some of the impacts identified in the review document. Positive impacts were found to exist, among others:

- a) The level of public recognition of the company is 98%
- b) The single most popular CD program in the community is an infrastructure program (20%)
- c) In general, the public has assessed the process of implementation of the CD program as being sufficient (88%)
- d) Another positive impact is the presence of contractor partners, i.e. 22 contractors in the three estates (Ukui, Baserah and Mandau) are derived from the local community, the owners and addresses of the companies being local people.

Community Fire Care (MPA) was established in response to an appeal by the Governor of Riau through a circular dated February 10, 2006. The aim of the group is to prevent environmental damage due to fires.

PT. RAPP has set up these institutions with effective communication and consultation, utilizing the local knowledge and optimal experience of local communities and indigenous peoples while providing guidance through the means of fire prevention and training by the CD / CSR section.

PT. RAPP does not discriminate between the hiring of local or immigrant workers. The company has a CLA that governs the rights and obligations of employers and employees. The CBA includes recruitment, employee placement, removal, transfer, promotion, skills enhancement program, prohibitions, etc. Meanwhile, PT. RAPP does not discriminate in labor recruitment, remuneration, access to training, promotion or termination. This can be seen by employment agreements for an indefinite period (PKWTT) as well as fixed term agreements (PKWT) between the workers and the company, while no indications of discrimination are founding the collective bargaining agreement in relation to promotion on the grounds of caste, place of birth or other restrictions.

The rights of indigenous / local communities

No major issues have been found in the entire concession of PT. RAPP relating to the ownership and use of land by the indigenous peoples and local communities. The sole land claim issue experienced relates to a single villager at the entrance to the Pelalawan Estate concession area. The Management Unit has taken the appropriate steps to resolve the matter through settlement under the conflict resolution procedure.

Occupational Health and Safety (K3)

In relation to the protection of health and safety, the Management Unit has registered its employees for inclusion under health insurance coverage. Internally, the Management Unit requires all employees to apply the Occupational Health and Safety (K3) provision in all their work whether in the office or in the field. Other health matters are covered by the provision of a clinic on each estate, for which all employees have health insurance.

The Management Unit has fully implemented the Occupational Health and Safety (K3) provisions and requires all

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employees to wear their Personal Protective Equipment (PPE) in accordance with their work both indoors and in the field. The personal protective equipment provided by PT. RAPP includes, among others: safety shoes; safety boots; safety helmets; safety glasses; life vests; safety masks; ear plugs; rainwear; chemical respiratory masks; dust masks; rubber gloves; etc. The Management Unit has implemented the OHSAS or Occupational Health and Safety (K3) Management System. Monitoring and Evaluation covers the following areas: Report of Accident Investigation, Analysis of Hazard and Risk Assessment and Loss Control (HIRADC), Analysis of Safety (JSA), Occupational Health and Safety (K3) Inspection, Measurement of Threshold Limit Values for Physical Factors in the Workplace (noise, vibration and lighting), Execution of Simulation Evaluation of Genesis Emergency, Reporting Evaluation Simulation and Evaluation of Compliance to Occupational Health and Safety (K3).

Prior to performing its Surveillance 1 Audit, PT AJA Sertifikasi Indonesia conducted public consultation commencing October 12, 2015, asking stakeholders for feedback about PT RAPP. The public consultations was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), as well as sent to relevant stakeholders through e-mail and / or postal mail, and announced in local newspapers. No comments were received from stakeholders about PT RAPP during the public consultation.

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

The results of the Surveillance 1 Audit of PT. Riau Andalan Pulp and Paper (RAPP) identified one (1) major and nine (9) minor non-conformities.

PT RAPP has taken remedial action on all findings so that the certification process can be resumed. This shows a strong and serious commitment to sustainable forest management, which the Management Unit shows through its continual improvements.

The Non-conformities and Corrective Action undertaken were:

NO	Non-conformities	Corrective Action performed	Category
1	The Management Unit has red markers in place to indicate protected areas (river banks), but in practice logging is carried out to the edge of the river, thus not leaving a riparian area. Clause Ref I.6.4 :	The Management Unit has responded by, among others: <ul style="list-style-type: none"> • Allocating a buffer zone bordering rivers (riparian), covering an area of 0.04 ha • Riparian planting of the area on November 25, 2015 • Installing signboards: River Border. 	Minor
2	Based on a review of the documents on November 22, 2015, the Management Unit has been using chemicals that include Bravoxone { <i>paraquat dichloride</i> }. Based on clarification from the Book of Pesticides for Agriculture and	The Management Unit has checked the registration of Bravoxone 276 SL and shown a print out of the Minister of Agriculture Decree No 71 / kpts / sr.140 / 2 / 2015, concerning the registration	Minor

	<p>Forestry 2014, Bravoxone was only registered for use up to August 10, 2014.</p> <p>The Management Unit has also been using other chemicals that include Kon Up (<i>glyphosate pesticide</i>) and Furadan (<i>carbamate pesticide</i>). Based on clarification from the Book of Pesticides for Agriculture and Forestry 2014, Kon Up is not listed in the Green Book. Moreover, proof for the use of Kon Up has not yet been registered.</p> <p>Based on a review of a list of chemical materials and verification in the chemical warehouse on November 26, 2015, the Management Unit has been using chemicals that include Metsul 24 WP (<i>metsulfuron-methyl</i>). Clarification from the Pesticide Books for Agriculture and Forestry in 2014, showed authorization for use of Metsul WP 24 ended August 10, 2014.</p> <p>The Management Unit has been using fertilizer products. Confirmation from the Fertilizers Registered Year Book 2014, licensing for the product expired in May 2014.</p> <p>Clause Ref I.3.2 & III.3.3</p>	<p>and provision of a permanent material technical pesticides and its attachments (Bravoxone 276 SL is in appendix II) and Certificate No: 190 / kompes / 2015 with Indonesian Registry Number 01030120042174 showing the extension of its registration for use.</p> <p>The Management Unit has checked the documents in relation to the authorized use of the chemical Kon Up 480 SL and provided evidence of the certification of Kon Up until September 2015, plus the extension of the licensing process.</p> <p>The Management Unit has provided proof in the form of a letter from the dealer of Metsul 24 WP for extension of its use from the Commission of Agriculture and Forestry Pesticides</p> <p>The Management Unit has shown proof in the form of a letter from Prima in regard to the renewal of licenses.</p>	
<p>3</p>	<p>Based on the results of field verification on November 21 2015, the buffer zone with the Tesso Nilo National Park (TNTN) is covered with <i>Acacia mangium</i> vegetation. Based on information from the Management Unit this was caused by expansion of the Tesso Nilo National Park into the PT RAPP concession.</p> <p>Clause Ref: III.3.1</p>	<p>The Management Unit has submitted an application to change the latest Long-Term Management Plan (RKU).</p> <p>PT RAPP has the decision of the Minister of Environment and Forestry Number: SK771/MenLHK-HPL/UHP/PHPL.1/2/2016, dated 22nd February 2016 about agreement to the</p>	<p>Minor</p>



		<p>revision of the 10-year Management Plan 2010-2019 on behalf of PT. Riau Andalan Pulp And Paper in Riau Province.</p> <p>The revision of the Long-Term Management Plan contains:</p> <p>Spatial for the use of the Plantation Forest according to the following functions: production plants 70%, livelihood plants 20% and protected area 10% of the total area of the concession.</p> <p>The Management Unit can show a regeneration program for the artificial planting of seeds and / or seedlings of local native plants (infrastructure) in the buffer zone between Tesso Nilo National Park and the Ukui Estate, which is planned for 2016-2019.</p>	
<p>4</p>	<p>There was a trickle of oil on the floor near the window in the Main Generator facility, despite a scoop being fitted -Toxic and Hazardous Materials (B3).</p> <p>The shelf life stated in the TPS permit for Toxic and Hazardous Materials (B3) waste in the Baserah District is 90 days. The last delivery of B3 waste was on May 25, 2015 and based on field examination of documents on November 23 2015 there had been no subsequent delivery, which was thus not in accordance with the permitted Storage for Toxic and Hazardous Materials waste (TPS B3).</p> <p>In the storage area for the spraying equipment a spill container channel was found to be connected to the natural drainage. Thus in the</p>	<p>The Management Unit has carried out repairs to the main generator facility so that it no longer leaks.</p> <p>The Management Unit has sent an official letter to the BLH. Kuantan Singingi District stating that the shelf life of Toxic and Hazardous Materials (B3) can be extended up to 365 days in accordance with Regulation 101 of 2014.</p> <p>The Management Unit has made improvements to the facility by closing the drainage channel from the oil trap and creating a cover for the mixing of</p>	<p>Minor</p>

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	<p>case of a spillage the polluted water would flow into the natural drainage.</p> <p>In the storage area for spraying equipment used chemical containers / Toxic and Hazardous Materials waste (LB3) were used to hold water, and close to the polyclinic building they were used to hold trash. Moreover, Toxic ingredients dangerous (LB3) Waste were not labeled with the symbol Toxic and Hazardous Materials waste (LB3). This is not in accordance with the procedural regulations</p> <p>Clause Ref: I.6.6.</p>	<p>chemicals so that any droplets that do occur will not pollute the surrounding environment.</p> <p>The Management Unit has undertaken positive action: a container of chemicals has been labeled with the symbol Toxic and Hazardous Materials waste:. A photograph of the container that previously held chemical agents has been socialized to all housing and camp facilities, and the visitors list.</p>	
5	<p>Based on the verification of documents on November 23, 2015, differences were found between “reports on the results of stock of processed wood 2014” and the annual work plan 2015 Chapter III, in the recording of the realization of production timber, especially <i>acacia mangium</i>, as follows:</p> <ol style="list-style-type: none"> 1. The report document on the results of stock of processed wood 2014 for the Pelalawan District Administration recorded realized production at 261,590.58 m3, while in the annual work plan 2015 chapter III document the realized production for 2014 was recorded at 219,777.01 m3. 2. The report document on the results of stock of processed <i>Acacia mangium</i> wood 2014 for the Pelalawan District Administration recorded realized production at 181,367.38 m3, while in the annual work plan 2015 chapter III 	<p>A written explanation was received signed by the License Manager relating to the difference in the production data of <i>Acacia sp</i>, between the stock of processed wood 2014 and the annual work plan 2015 with the evidence they have, plus also a certified letter with a description of the License Manager’s acceptance of the disclosed differences.</p>	Minor

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	<p>document realized production for <i>Acacia sp.</i> In 2014 was recorded at 157,328.98 m3</p> <p>Clause Ref: I.3.1</p>		
6	<p>The Baserah Estate concession area is directly adjacent to the Tesso Nilo National Park. Based on field observations, the factual condition of the area is burnt land that has been planted with new staple crop. The Tesso Nilo National Park (TNNP) area bordering the areas of the Management Unit was also burnt and had newly planted palm trees.</p> <p>Clause Ref: (I) 1.2; 1.14; 2.2; (III) 1.2; 3.1</p>	<p>The Management Unit has shown its artificial regeneration program of planting seeds and / or seedlings of local native vegetation (infrastructure field) in the buffer zone between the Tesso Nilo National Park and the Baserah Estate.</p> <p>The Management Unit has shown the RKUPHHK revised document-HTI of PT. RAPP containing the buffer zone management plan for the Tesso Nilo National Park (TNTN).</p> <p>PT RAPP has the decision of the Minister of Environment and Forestry number: SK.771/MenLHK-PHPL/UHP/PHPL.1/2/2016, dated: 22nd February 2016 about agreement to the revision of the 10-year Management Plan 2010-2019 on behalf of PT. Riau Andalan Pulp And Paper in Riau Province, as referred to in point 3 above.</p>	Minor
7	<p>The Management Unit had not yet carried out identification of regional seed crops under identification, inventory and monitoring of flora and fauna. Field verification by the auditor revealed that the only activities so far carried out are the installation of information boards showing the excellent crop region.</p> <p>Clause Ref.I.7.1; I.7.5;III.3.1</p>	<p>The Management Unit has carried out identification of the area flora seed plants as of November 27, 2015.</p>	Minor

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<p>8</p>	<p>Document verification on November 27, 2015 revealed the following: In document “reports on the results of stock of processed wood 2014” and document “annual work plan 2015 Chapter III”, the Management Unit expressed the realization of production of timber that had been a conversion of natural forest, namely :</p> <ul style="list-style-type: none"> ✓ KBK (small logs) at 7,986.57 M3; KBS (Medium Round Wood) at 125.57 M3: and KB (Logs) of 35.57 M3 ✓ conversion area was 92 Ha. <p>Comparing the size of the conversion area with the volume of wood reported, this looks to be a serious underestimation.</p> <p>Clause Ref III.1.1 and III.1.2</p>	<p>The Management Unit has made changes to the RKU document and the new spatial arrangement, the documentation for which is in the process of ratification by the Ministry of Environment and Forests. The allocation of this area for plant life is not to be planted with production plants but is associated with the welfare of the local communities and will provide a long-term contribution to social benefits, both economic and environmental. PT RAPP has the decision of Minister of Environment and Forestry number: SK.771/MenLHK-PHPL/UHP/PHPL.1/2/2016, dated: 22nd February 2016 about agreement to the revision of the 10-year Management Plan 2010-2019 on behalf of PT. Riau Andalan Pulp And Paper in Riau Province, as referred to in points 3 and 6 above.</p>	<p>Major</p>
<p>9</p>	<p>Based on a review of documents and interviews on November 26, 2015, the Management Unit was not able to provide proof of tax payment for utilization of ground or surface water.</p> <p>Clause Ref (I).1.3</p>	<p>The management unit has fulfilled all financial obligations to the government, which consist of fees, royalties, taxes and other legal financial obligations.</p>	<p>Minor</p>
<p>10</p>	<p>Based on document review and interviews, the Management Unit was unable to show the periodic soil analysis as the basis for the use of fertilizers.</p> <p>Clause Ref III.3.4</p>	<p>The Management Unit has now provided evidence of the soil analysis as a reference for application of fertilizers, such analysis results being furnished by the Soil Map Unit. The Management Unit obtains the results of soil analysis each semester as prescribed in the EIA document, which are used as a reference for the use of fertilizers</p>	<p>Minor</p>



Conditions under which the certificate is issued

The certificate will be valid until December 10, 2017. PT RAPP has completed all corrective actions based on the indicated time frame and will ensure the same problems do not occur during the next surveillance audit activities.

If there are discrepancies that are not resolved on the next surveillance audit activities, the IFCC certificate will be suspended.