

Public Report Sustainable Forest Management System

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CLIENT NAME: PT SUMATERA RIANG LESTARI BLOK II GARINGGING

TOTAL HECTARES: 38,684.24

SCOPE OF REGISTRATION: Sustainable Forest Management of 38,684.24 hectares of Plantation Forest in North Sumatra Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Additional Surveillance due to Covid-19 Pandemic (REMOTE)

AUDIT START DATE: September 07, 2021

AUDIT END DATE: September 10, 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

LEAD AUDITOR: Andri Wibisono

AUDIT TEAM: Riyadi Sigit Pamungkas

Tata Sumitra

SIGNATURE:

SIGNATURE:

SIGNATURE:

Handwritten signatures in a box:

- Signature 1: Vw
- Signature 2: RS
- Signature 3: TS

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Sumatera Riang Lestari Blok II Garingging	Barumun Tengah, Lubuk Barumun, Huristak, and Hutaraja Tinggi Districts, Padang Lawas Regency, North Sumatra Province – Republic of Indonesia	September 07 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 CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
N/A		

Brief Description of the concession

The Management Unit obtained a business permit for the utilization of timber forest products based on the Decree of the Minister of Forestry No. SK.208/Menhut-II/2007, dated May 25, 2007 concerning the Amendments of Decree of the Minister of Forestry No. SK.262/Menhut-II/2004 jo No. SK.99/Menhut-II/2006 concerning the Granting of a Timber Forest Product Utilization Business Permit (IUPHHK) in a Plantation Forest to PT Sumatra Riang Lestari (PT SRL) for a Forest Area of \pm 65,000 Ha in North Sumatra Province. The change in the decision concerns the working area of the IUPHHK-HTI PT Sumatera Riang Lestari (PT SRL) to an area of \pm 215,305 ha consisting of \pm 67,230 Ha located in North Sumatra Province and \pm 148,075 Ha in Riau Province. The working area of PT Sumatera Riang Lestari Blok II Garingging based on Decree No. 208/Menhut-II/2007 dated May 25, 2007 was 42,494 ha. The latest decree of the concession is the Decree of the Minister of Environment and Forestry No. SK.984/Menlhk/Setjen/PLA.2/2019 dated November 11, 2019, regarding the determination of the IUPHHK HTI PT Sumatera Riang Lestari Blok II Garingging of 42,521.15 ha.

The IFCC certified area of PT Sumatera Riang Lestari Blok II Garingging in the previous audits was 21,414.80 hectares, due to the reduction of claim area and converted area of natural forest to plantation forest after December 31, 2010. Based on the result of this year audit, the IFCC Certified area become 38,684.24 ha, which is the result of the original area of 42,521.15 ha reduced by the converted area of natural forest to plantation forest of 3,836.91 ha. The claim area is included in the certified area.

The Management Unit has the Revised RKUPHHK-HTI document which was ratified based on the Decree of the Minister of Forestry No. SK No. 6054/menLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019 on the Approval of the Revised Work Plan for the Management of Timber Forest Products in Industrial Plantation Forests (RKUPHHK HTI) for a period of 10 (ten) years of 2017 to 2026 on behalf of PT Sumatra Riang Lestari in North Sumatra Province and Riau Province. The spatial layout based on the Revised RKUPHHK-HTI is Local Protected Areas and Other Protected Areas of 9,331 Ha (21.96%), Staple Plants area of 13,011 Ha (30.62%), Livelihood Plant area of 20,152 Ha (47.42%), with a total area of 42,494 ha (100%).

The work area of PT Sumatera Riang Lestari Blok II Garingging is geographically located between coordinates 01° 10' 49" to 01° 20' 37" North and 99° 47' 31" to 100° 06' 28" East. Based on the Forest Group, it is part of the Garingging River and the Mahato River groups. The government administration is under Sosa, Barumon Tengah, Huristik and Hutaraja Tinggi Districts, Padang Lawas Regency, North Sumatra Province.

The site condition of the working area is dry land/mineral, with a flat topography (0-8%) and an altitude of 75 to 280 meters above sea level. The soil type of the work area is Podsollic, Podsol-Gleisol-Regosol Association, Gleisol-Cambisol-Alluvial Association with geological composition of Alluvium, Volcanic Rocks, Sedimentary Rocks and Metasediment. The climate classification includes type A climate with an average rainfall of 2,259 mm/year. The work area is crossed by watershed (DAS) of Barumon with rivers of Garingging, Mahato, Putih, Hampasang, Nabara Manapi, Merbuayanamenek, and Tamarjuarang.

The species plant being developed is *Acacia mangium* and *Eucalyptus* sp.

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

According to the company public relations and BPS data from Padang Lawas Regency (2021), the villages around PT Sumatera Riang Lestari Blok II Garingging are 21 (twenty-one) villages, in 4 (four) districts of Padang Lawas Regency.

The Management Unit recognized and being respectful to the existence of local communities who generally live in a main village called *Luhat*. The existing villages around the Management Unit spread over 4 (four) districts are developments of the *Luhat*. Initially, the population of the main village grew and opened a new village with the

approval of the *Raja Luhah* (Luhah King). Raja Luhah then hand certain areas to be opened into villages and gradually developed into administrative villages. No indigenous peoples were identified as required by law (Law No. 27 of 2007 and Presidential Decree No. 111 of 1999). The original ethnicity that residence is the Mandailing Batak, while the rest of the resident are transmigrants from Javanese, Sundanese, and Malay.

The Management Unit of PT Sumatera Riang Lestari Blok II Garingging has a conflict resolution mechanism in the form of SOP Conflict Resolution which is a conflict resolution procedure when there is land dispute settlement or social conflict resolution is resolved with the principle of agreement without any coercion on the basis of initial information (Free Prior Informed Consent-FPIC). In order to maintain the work area, the Management Unit has carried out boundary maintenance (concession boundary maintenance marking).

Based on the Revised Document of RKUPHHK-HTI, the Management Unit plans to have management of livelihood plants and partnerships in segments of plantation activities including land provision, planting, maintenance and planting with the community. The Management Unit has made an agreement for the development of livelihood plants with the surrounding community. There is also a formation of a Community with Fire Awareness (MPA) on August 19, 2014 which had refreshment activity of prevention of forest and land fires on December 8, 2019.

Implementation of Community Development program to increase income and economic growth include repairing trans roads, repairing the village road, COVID-19 necessities, volleyball and providing ecalyptus seeds, Ramadan assistance, mosque materials, fish cages, and goat livestock. The Community Development program for 2020/2021 is relatively low due to the Covid-19 pandemic. Based on information from the Public Relations section, the remaining 50% is planned to be completed by the end of 2021.

Description of the Ecological conditions of the concession

The Management Unit has identified forest management activities that have significant impacts, and carried out an assessment that analyzes these potential impacts on the environment, in particular on biodiversity, protected and endangered species, protection of soil and water, and health and vitality.

The operational activities of the Management Unit identified as having potential impacts on the environment are found in the field and are in accordance with the identification results in the AMDAL, RKL and RPL documents. Environmental management activities, monitoring and evaluation of impacts, every semester have been implemented and contained in the Report on the Implementation of the Environmental Management and Monitoring Plan (Environmental Permit) IUPHHK-HTI PT. Sumatera Riang Lestari Blok II Garingging.

The Management Unit has implemented a Reduced Impact Logging (RIL) Documented Procedure to minimize the negative impacts of harvesting, transportation and infrastructure development on the environment, soil, water, forest regeneration (rejuvenation) and standing stands (logged forest).

PT. Sumatera Riang Lestari II Garingging has identified an area that functions for water and soil protection. Based on the results of the identification, it is then allocated and designated as a protected areas, namely the Local Protected Areas and Other Protected Areas which consist of KPPN of 486 Ha (1,14%) and River Borders of 8,845 Ha (20,80%). As for forest protection, The Management Unit has performed installation of signboards in Protected Areas, rehabilitation of degraded water protection areas, maintaining river border vegetation within harvested production areas, prohibit the disposal of household waste, LB3, used oil and diesel fuel in river bodies. There are company regulations to not to constructing buildings, toilets, parking lots and other infrastructure on the River Border. The Management Unit performs forest security patrols regularly to secure Protected Areas to maintain its functions.

Biodiversity of plant found in the working area include Durian (*Durio* sp), Meranti (*Aprorosa subcaudata* Merr), Jambu-Jambuan (*Syzygium* sp), Medang (*Lithocarpus* sp), etc. There are several species of wildlife such as Tringgiling

(*Manis Javanica*), Beruk (*Macaca nemestrina*), Clouded leopard (*Neofelis nebulosa diardi*), Sumatran tiger (*Panthera tigris sumatrae*), Root tiger (*Prionailurus bengalensis*), and Sumatran elephant (*Elephas maximus sumatrensis*).

PT. Sumatera Riang Lestari II Garingging has identified and monitored disturbances, as well as taking into account the occurrence of natural disturbances that pose a threat to the health and vitality of forest resources in its working area. The main forest disturbance is forest encroachment accompanied by land claims, while forest disturbances in the form of forest fires, illegal logging, illegal grazing and poaching have not been encountered in the last one year. The Management Unit has carried out activities to identify, manage, secure and monitor forest disturbances properly. The Management Unit has also provided infrastructure and human resources for pre-emptive, preventive and measurable measures.

Results of the Public Consultation

Prior to carrying out the Additional Surveillance Audit, PT AJA Sertifikasi Indonesia conducted a public consultation commencing August 16, 2021, asking stakeholders to provide feedback and information regarding PT Sumatera Riang Lestari Blok II Garingging. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to the parties via email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia received no input from stakeholders during the public consultation.

The audit team also collected information from the mass media about PT Sumatera Riang Lestari Blok II Garingging, the reported cases being given material consideration as part of the audit process conducted by PT AJA Sertifikasi Indonesia.

The Management Unit has identified all the necessary requirements for this certification process, which consists of legal aspects that include compliance with rules and regulations and international conventions. A management system has been established to cover all activities in the area of certification that is registered for an area of 38,684.24 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 Additional Surveillance Audit of PT Sumatera Riang Lestari Blok II Garingging, no Non-Conformities of either a Major or Minor nature were identified by the audit team. No critical issues were identified.

Conditions under which the certificate is issued

The certificate issued Number AJA/IFCC-PEFC/FMC-HT/00011/XI/2015 is valid until November 12, 2022, provided that PT Sumatera Riang Lestari Blok II Garingging maintains its Recertification schedule and does not have any major non-Conformities in the next Recertification.