

# 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 Sumatera Riang Lestari Blok V Rangsang

**TOTAL HECTARES:** 13,354.40 ha

**SCOPE OF REGISTRATION:** Sustainable Forest Management of 13,354.40 hectares of Plantation Forest in Riau Province

**STANDARDS/CRITERIA:** IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

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

**AUDIT START DATE:** October 25, 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

**AUDIT END DATE:** October 28, 2021

**LEAD AUDITOR:** Agung Utama Lubis

**SIGNATURE:**

**AUDIT TEAM:** Amin Kadeni

**SIGNATURE:**

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:
PT Sumatera Riang Lestari Blok V Rangsang	Districts of Rangsang and Rangsang Pesisir, Kepulauan Meranti Regency, Riau Province – Republic of Indonesia	October 25 to 28, 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

PT Sumatera Riang Lestari Blok V Rangsang concession was based on the Timber Forest Product Utilization Business Permit (IUPHHK) of PT Sumatera Riang Lestari which was issued based on Ministerial Decree No. SK.208/Menhut-II/2007, dated May 25, 2007 concerning Amendments to the Decree of the Minister of Forestry No. SK.262/Menhut-II/2004 jo No. SK.99/Menhut-II/2006 concerning the Granting of Timber Forest Product Utilization Business Permit (IUPHHK) in Plantation Forests to PT Sumatera Riang Lestari (PT SRL) over a forest area of approximately 65,000 hectares in North Sumatra Province. Changes in the decision regarding the working area of PT Sumatera Riang Lestari (PT SRL) IUPHHK-HTI to around 215,305 ha consisting of 67,230 ha in North Sumatra province and 148,075 ha in Riau Province. The area of PT Sumatera Riang Lestari Blok V Rangsang was determined by Decree No. 208/Menhut-II/2007 dated May 25, 2007 is 18,890 ha. There was a conversion of natural forest to plantation forest on December 31, 2010 covering an area of 5,535.60 ha. Thus, the scope of certification is 13,354.40 hectares.

The Management Unit has a management plan documented in the Adjustment of Business Plan for Utilization of Timber Forest Products in Industrial Plantation Forests (RKUPHHK-HTI) for the 2017 to 2026 Period of Activity 2019 to 2020, approved based on the Decree of the Minister of Environment and Forestry No. 6054/menLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019. The spatial layout of the concession consists of a Staple Plant Area of 8,763 ha (46.39%), Livelihood Plants Area of 3,782 (20.02%) and Local Protected Areas and Other Protected Areas of 6,345 ha (33.59%).

PT Sumatera Riang Lestari Blok V Rangsang is administratively located in the Rangsang and Rangsang Pesisir District, Kepulauan Meranti Regency, Riau Province. Geographically, it is located between 00° 52'43.0" to 01° 05' 27.0" North and 102° 52' 54.0" to 103° 07' 17.0" East.

The area of PT Sumatera Riang Lestari Blok V Rangsang consists of Tropohemite, Tropofibrist and Troposaprist soil types. Based on the geology, it consists of the geological types of young and old alluvium. Most of the Management Unit areas are peat land. Some of the peat areas are part of staple plant and protected areas. Due to its land type, the species being cultivated is *Acacia crassicarpa*.

The entire working area is peat land based on the Peat Ecosystem Function Map at a scale of 1: 250,000 issued by the Ministry Environmental and Forestry (Attachment to Minutes No.BA.046/UHP/RKUPHT/HPL.1/3/2017 dated March 20, 2017. Detailed plans for restoring the function of the peat ecosystem are described in the Peat Ecosystem Recovery Plan Document, Determination of Groundwater Level Compliance Points and Rainfall Monitoring Station Points for PT Sumatera Riang Lestari (including Blok V Rangsang) based on the Decree of the Director General of Pollution and Environmental Damage Control No.SK.135/PPKL/PKG/PKL.0/11/2018 dated November 29, 2019. Measurement of Water Level (TMA) or Water Table to avoid subsidence rates as required in PP No. 57 of 2016 and Director General of Pollution and Environmental Damage Control Regulation No. 10 of 2018.

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

There are seventeen villages located around the company covering two districts (thirteen villages in Rangsang District and four villages in Rangsang Pesisir District) based on the 2021 Social Impact Assessment Document. Seven villages are included in Ring 1, namely Repan Village, Tebun Village, Pengagun Village, Tanjung Medang Village, Gayung Kiri Village in Rangsang District and Sokop Village, Tanjung Kedabu Village in Rangsang Pesisir District. There are no customary law communities. This was stated in the previous year audit. Most of the residents work as fishermen or farmers. Other livelihoods are laborers, drivers, traders, craftsmen, etc.

PT Sumatera Riang Lestari Block V Rangsang has made conflict resolution efforts to the surrounding community. There is a Report on Mapping Potential and Conflict Resolution for Semester I of 2021. Based on the report, the value of potential conflict is 45.96 (controlled).

The Management Unit has collaborated with the surrounding village community, for example in fire prevention cooperation agreement with Community with Fire Awareness. In the previous years, the company made an agreement with the community in livelihood plant of sago, but it was stated that livelihood plant of sago was failed. The Management Unit must consider conducting a replacement cooperation to improve good relations between the company and the surrounding community. This has been verified by the company staff that the local government is currently formulating a plan for cooperation in substituting livelihood plant of sago.

PT Sumatera Riang Lestari Blok V Rangsang has implemented a corporate social responsibility program for the surrounding villages evidenced with Community Development Program Implementation Report in 2021. The CSR program is related to the district government where the company assistance in money fund for the community through the district government.

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

PT Sumatera Riang Lestari Block V Rangsang has allocated Peat Ecosystem Protected Function Area of 6,273 ha (33.21%), which consists of a river border of 720 ha (3.81%), KPPN/KPSL of 308 ha (1.63%), and Other Protected Areas of 5,245 ha (27.77 %). The peat area management is closely related to 'Water Management', where control is carried out on every water system that is limited by peat dams by removing excess water when it rains and retaining water when the water supply is reduced.

The Management Unit implements Reduce Impact Logging (RIL) in the field is in accordance with the company SOP. The RIL is applied in the stages before, during and after logging activity. This method is implemented to protect soil surface to remains moist and the temperature is not too high, because harvesting activities aim to avoid causing physical damage to the peat soil by not dismantling the stump.

The Management Unit has identified and monitored disturbances in Sustainable Forest Management. The identification and monitoring are stated in the ANDAL, RKL, RPL of 2004 and RKUPHHK-HTI 2017 to 2026. According to the document, sustainable forest management disturbance in the Management Unit area is forest fire, land encroachment and pests and plant diseases. To prevent the disturbance and to maintain and improve the habitats of flora and fauna that are protected, endemic, rare and threatened/near-extinct species, as well as special characteristics (features) are performed through the following activities:

- illegal logging patrol;
- installation of protected area signboards;
- management of local species seedlings;
- inspection of protected areas;
- setting the boundaries of protected areas (boundary marking).

#### Results of the Public Consultation

Prior to conducting the Additional Surveillance Audit, PT AJA Sertifikasi Indonesia held a public consultation starting on September 15, 2021, asking stakeholders to provide feedback and information about PT Sumatera Riang Lestari Blok V Rangsang. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to the parties via email or postal letter, 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 V Rangsang, the reported cases being given material consideration as part of the audit process carried out by PT AJA Sertifikasi Indonesia.

The Management Unit has identified all the requirements needed for this certification process, consisting of legal aspects that include compliance with international rules and regulations and conventions. A management system has been built to cover all activities in the field of certification, which is registered for an area covering 13,354.40 hectares.



<b>Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.</b>
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Based on the results of Additional Surveillance Audit, no Non-Conformity either in Minor or Major category identified.
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<b>Conditions under which the certificate is issued</b>
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Certificate is valid until December 13, 2022, provided that PT Sumatera Riang Lestari Blok V Rangsang maintains its Recertification schedule and does not have potential major non-Conformities on the next Recertification visit.
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