

Public Report Sustainable Forest Management System

Ownership of this report and the information contained within remaining the property of
AJA Europe



CLIENT NAME: PT SUMATERA RIANG LESTARI BLOK V RANGSANG

TOTAL HECTARES: 12,634.40

SCOPE OF REGISTRATION: Sustainable Forest Management of 12,634.40 Hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1

AUDIT START DATE: October 3, 2023

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 6, 2023

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Andri Wibisono

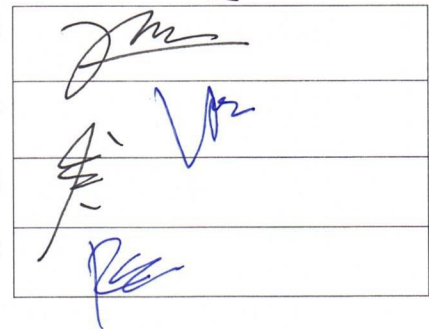
SIGNATURE:

Tata Sumitra (Under Supervision)

SIGNATURE:

R Sigit Pamungkas (Supervisor)

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	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru 28143, Provinsi Riau, Indonesia	October 3, 2023
Site	Blok V Rangsang - Kecamatan Rangsang, Kabupaten Kepulauan Meranti, Provinsi Riau, Indonesia	October 4 to 6, 2023
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 received a Forest Utilization Business Permit (PBPH) Decree, namely the Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number: SK.645/MENLHK/SETJEN/HPL.2/6/2022 dated 22 June 2022 concerning the fourth amendment to the Decree of the Minister of Forestry No. SK.262/Menhut-II/2004 dated 21 July 2004. The entire area of the main company, PT Sumatera Riang Lestari, is 173,971 Ha. While the working area of PT Sumatera Riang Lestari Blok V Rangsang is 18,170 Ha. In this decree the IUPHHK-HT has a change in nomenclature. There was a conversion of natural forest into plantation forest on 31 December 2010 of 5,535.60 ha. Thus, the IFCC Certification scope changes to 12,634.40 hectares. The Management Unit has created a 1:90,000 scale Non-IFCC and IFCC Area Map and listed the compartments, plus created field boundaries.

The Management Unit has a management plan contained in a document Decree of the Minister of Environment and Forestry Number: SK.6479/MenLHK-PHL/PUPH/HPL.1/8/2022 dated 12 August 2022 concerning Approval of the Forest Utilization Business Work Plan (RKUPH) for the period 2017 to 2026.

The spatial layout has some changes due to the RKUPH 2022. The spatial layout is Protected Area of 5,120 Ha (28.18%), Cultivation Area of 13,050 Ha (71.82%) and a total of 18,170 Ha (100%). The protected area is 5,120 Ha (28.18%) consisting of river borders 699 Ha (3.85%), KPPN/KPSL of 375 Ha (2.06%), Protected Forest Buffer Zone of 509 Ha (2.80%), Other Protected Areas of 3,517 Ha (19.47%). The cultivation area is 13,050 Ha (71.82%) consisting of plantation area of 9,454 Ha (52.03%), LOA area for non-timber forest product of 508 Ha (2.80%), Infrastructure of 438 Ha (2.41%), gardens, shrubs, and others of 2,650 Ha (14.58%).

PT Sumatera Riang Lestari Blok V Rangsang is administratively located in Rangsang District and Rangsang Pesisir District, Meranti Islands 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 concession area consists of Tropohemite, Tropofibrist and Troposaprist soil types. Based on its geology, it consists of young alluvium and old alluvium geological types. The majority of the Management Unit area is a Wetland Ecosystem Type (Peatland). It includes the Sungai Gayung forest group, flat topography (0-8%), altitude 5-10 meters above sea level, climate type A with rainfall 1,611 mm/year. The plant cultivated is *Acacia crassicarpa*.

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

The community around the Management Unit concession is a local community. There are no customary law communities. Based on Meranti Islands Regency in 2023 Figures the population of Meranti Islands Regency in 2022 is 190,032 people. The livelihoods of the population in 17 villages assisted by the company are dominated by fishermen and/or farmers, TNI/Polri, labors, and others.

The Management Unit has a potential mapping and conflict resolution report document for the first semester of 2023 and has carried out conflict analysis calculations based on P.5/PHPL/UHP/PHPL.1/2/2016 and P.8/2021 with conflict score is 53.50% or Alert category. There is a claim from a farmer group in the form of sago plantations. The conflict criteria analysis report has been completed with the creation of an Indicative Map of Encroachment and Claims. In this settlement, as has been carried out by the Ministry of Environment and Forestry through the Director General of PKTHA based on Minister of Environment and Forestry Regulation No. 83/2016 in article 41 (2), where the handling of conflicts between companies and village communities should be carried out using Social Forestry mechanisms.

Since 2012, The Management Unit has a livelihood plant cooperation with nine villages around the concession. Based on an interview with the Public Relation staff, the livelihood plants were sago plant which need several years to harvest. The company substitutes it for the Community Development funds to the villages every year. Regarding cooperation with the Community with Fire Awareness in the assisted villages, the Management Unit has collaborated in controlling /control of forest and land fires even though it is located outside the company's concession.

The company has carried out corporate social responsibility to the surrounding community. As a result of the interview, the company and the community have always communicated and collaborated well and provided CSR funding assistance, village assistance, etc. There has been involvement of local workers (daily workers, drivers ketinting, speedboat, etc.). There is also a proposal for assistance in honorary salaries for religious teachers for the residents.

Description of the Ecological conditions of the concession

The Management Unit has carried out forest ecosystem and hydrological function management. Identification of forest management activities that have important impacts and conducting environmental impact assessments through AMDAL, RKL and RPL studies It has carried out monitoring of environmental management through Environmental Permit Implementation Report Document for Semester II 2022 and I 2023. The Management Unit has performed Reduced Impact Logging before, during, and after logging activities. There was and identification of areas that function to protect land and water is by allocating a Protected Area of 5,120 ha (28.18%) consisting of River Borders of 6.99 ha (3.85%), KPPN/KPSL of 375 ha (2.06%), Protected Forest Buffer Zone 509 ha (2.80%) and Other Protected Areas 3,517 ha (19.47%).

The Management Unit has documented procedures that serve as guidelines for carrying out activities to monitor negative impacts resulting from forest management activities, namely SOP for Monitoring Protected Areas, SOP for Monitoring Discharge and Water Quality and SOP for Monitoring Soil Density and Erosion. PT Sumatera Riang Lestari Blok V Rangsang have documented procedures for the controlled use of B3 (Hazardous and Toxic Materials), namely 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.

The Management Unit has carried out biodiversity management activities through identification and inventory of protected, endemic, rare and threatened/endangered flora and fauna in the IUPHHK-HTI area. The results of the identification and inventory are reported in the Environmental Permit Implementation Report (Implementation of RKL/RPL semester 2 2018 and semester 1 2019). The main plant species cultivated are not genetically modified species but *Acacia crassicarpa*.

PT Sumatera Riang Lestari Blok V Rangsang has implemented forest protection measures against the dangers of fire by implementing appropriate/measurable steps, where the Management Unit has established and implemented documented procedures for forest protection activities.

Results of the Public Consultation

Before conducting the Surveillance 1 Audit, PT ACube TIC International conducted a public consultation starting August 24, 2023, asking stakeholders to provide feedback and information regarding PT Sumatera Riang Lestari Blok V Rangsang. The public consultation was uploaded to the PT ACube TIC International website (www.ajaindonesia.com), sent to parties via email or postal mail, and published in local newspapers. There was 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 case is considered a material part of the audit process carried out by PT ACube TIC International.

The Management Unit has identified all the requirements necessary for this certification process, which consists of legal aspects that include compliance with rules and regulations and international conventions. A management system has been built to cover all activities in the certification area, which is registered for certification of 12,634.40 hectares.

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



The results of Surveillance 1 Audit of PT Sumatera Riang Lestari Blok V Rangsang is no non-conformity. The management system operates effectively. No critical issues were identified.

Conditions under which the certificate is issued

Certificate is valid until December 13, 2025, provided that PT Sumatera Riang Lestari Blok V Rangsang maintains its Surveillance schedule and does not have potential major non-conformity at the next Surveillance.