

Public Report Sustainable Forest Management System

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ORGANIZATION 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 & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Surveillance 2

AUDIT START DATE: 24 September 2024

AUDIT END DATE: 27 September 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: Agung Utama Lubis

AUDIT TEAM: Andri Wibisono

Inggita Nuri Prihantini

SIGNATURE:

SIGNATURE:

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	DATE OF EACH SITE VISIT:
Head Office	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru 28143, Provinsi Riau, Indonesia	24 September 2024
Site	Blok V Rangsang - Kecamatan Rangsang, Kabupaten Kepulauan Meranti, Provinsi Riau, Indonesia	25-27 September 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	
N/A		

Brief Description of the concession

The Organization received a Forest Utilization Business Permit (PBPH) through the Decree of the Minister of Environment and Forestry of the Republic of Indonesia, No. SK.645/MENLHK/SETJEN/HPL.2/6/2022, dated June 22, 2022. This decree amends the Minister of Forestry's Decree No. SK.262/Menhut-II/2004, dated July 21, 2004, which grants PT Sumatera Sinar Plywood Industry a business permit for utilizing timber forest products (IUPHHK) in plantation forests across 65,000 ha in North Sumatra. The PBPH Decree also covers an area of 173,971 ha for PT Sumatera Riang Lestari, with 18,170 ha allocated for the PT Sumatera Riang Lestari Blok V Rangsang area. The nomenclature IUPHHK-HT has been changed to PBPH in this decree.

On December 31, 2010, 5,535.60 ha of natural forest was converted to plantation forest, reducing the total certified area to 12,634.40 ha (18,170 ha - 5,535.60 ha). A map at a 1:90,000 scale of Non-IFCC and IFCC areas has been created, with boundary markings established on-site. The Organization also developed a Forest Utilization Work Plan (RKUPH), approved by Decree No. SK.6479/MenLHK-PHL/PUPH/HPL.1/8/2022, dated August 12, 2022. This plan covers the period 2017-2026 for PT Sumatera Riang Lestari in North Sumatra and Riau. Spatial planning under the 2022 RKUPH includes:

1. Protected Area: 5,120 ha (28.18%),
2. Cultivation Area: 13,050 ha (71.82%), totaling 18,170 ha.

The protected area consists of:

- River borders: 699 ha (3.85%),
- KPPN/KPSL: 375 ha (2.06%),
- Protected Forest buffer zone: 509 ha (2.80%),
- Other protected areas: 3,517 ha (19.47%).

The cultivation area includes:

- Plant area: 9,454 ha (52.03%),
- LOA area for HHBK: 508 ha (2.80%),
- Infrastructure: 438 ha (2.41%),
- Gardens, shrubs, and others: 2,650 ha (14.58%).

PT Sumatera Riang Lestari Blok V Rangsang is located in Rangsang District and Rangsang Pesisir District, Kepulauan Meranti Regency, Riau Province, with coordinates 00°52'43.0" - 01°05'27.0" North and 102°52'54.0" - 103°07'17.0" East. Surrounding the concession are 17 villages, categorized into three rings:

- Ring I: 7 villages,
- Ring II: 5 villages,
- Ring III: 5 villages.

The area of PT Sumatera Riang Lestari Blok V Rangsang consists of Tropohemite, Tropofibrist, and Troposaprist soil types, with a geology of young and old alluvium. The majority of the working area is a wetland (peatland). The topography is flat (0-8%) with an altitude of 5-10 meters above sea level. The climate type is A with 1,611 mm of rainfall annually. The Organization has a 4-year crop cycle with the primary cultivated plant being *Acacia crassicarpa*.

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

Based on interviews with Village Officials from five sample villages, the livelihoods of the surrounding population are primarily based on farming and fishing. The farmers engage in rubber, coconut, and sago plantations, while fishermen harvest fish from the Malacca Strait. Many locals also work in Malaysia, and there are no customary law communities in the area. All are classified as local communities.



PT Sumatera Riang Lestari has established a mechanism for resolving stakeholder complaints, including land ownership disputes. The company has made progress in settling claims, with the number of claims that have been resolved being 50% of the total claims until the end of July 2024.

The Organization is committed to promoting long-term health and well-being for the surrounding community. This includes funding for local development and health initiatives, such as the distribution of funds for livelihood plant cooperation and CSR activities.

In 2023, PT Sumatera Riang Lestari made several key contributions to support the surrounding communities. In the religious field, the company provided financial support for sacrificial cow assistance to the village. For social and environmental affairs, CSR funds were allocated to the local districts for community development and environmental sustainability, with additional contributions made for further social and environmental initiatives. In total, significant CSR funds were directed toward community and environmental welfare across multiple areas.

In 2024, during the first and second quarters, PT Sumatera Riang Lestari continued its commitment to community support. In the religious field, contributions were made to support local government's Qurban (sacrificial animal) activities, showing the company's ongoing dedication to religious practices. In the social and environmental affairs category, the company provided basic food assistance to flood victims, coordinated through the local police. Overall, PT Sumatera Riang Lestari's CSR efforts in 2023 and 2024 (Q1 & Q2) demonstrate a sustained commitment to religious practices, social welfare, and environmental sustainability in the communities it operates in.

Description of the Ecological conditions of the concession

PT Sumatera Riang Lestari Blok V Rangsang has implemented various environmental and ecosystem recovery efforts, particularly focusing on peatland restoration and sustainable forest management. In line with government regulations and decrees, the Organization has worked to recover peat ecosystems by enhancing hydrological functions and restoring vegetation. Hydrological recovery included improving water management zones, constructing canal blocks, and establishing monitoring systems for water levels. Vegetation restoration efforts were aimed at enriching species and aiding the recovery of areas affected by fires in 2015-2016.

The company has also focused on forest protection, particularly regarding peatland fire risks, by implementing fire management strategies and creating fire barriers. Additionally, the Organization has worked to protect biodiversity by designating protected areas and monitoring the flora and fauna in these zones, including endangered species like ramin trees (*Gonystylus bancanus*) and various wildlife.

In terms of land management, the Organization conducted hydrological surveys to protect peat domes and water sources, as well as reduce the impacts of logging through "Reduced Impact Logging" (RIL) methods. The Organization is committed to protecting water quality by preventing degradation in critical water catchment areas, such as the Tasik Air Putih water source. Furthermore, PT Sumatera Riang Lestari Blok V Rangsang engages in waste management practices, including proper handling of hazardous materials and minimizing pesticide use.

Overall, PT Sumatera Riang Lestari Blok V Rangsang has shown a commitment to sustainable practices, focusing on ecosystem restoration, forest protection, and conservation of biodiversity while adhering to legal and environmental guidelines. These initiatives are part of their broader strategy to maintain ecological balance and contribute to the global carbon cycle

Results of the Public Consultation

Prior to conducting Transition to IFCC ST 1001:2021 + Surveillance 2 Audit on PT Sumatera Riang Lestari Blok V Rangsang, 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



starting August 15, 2024. The stakeholders can provide input for audit considerations to PT Acube TIC International email. There is no input from stakeholders.

The audit team also collected information from the mass media about PT Sumatera Riang Lestari Blok V Rangsang. The reported cases are considered as part of the PT Acube TIC International audit process.

The Organisation has identified all the necessary requirements for this certification process, which consist of legal aspects which include compliance with international rules and regulations and conventions. A management system has been developed to cover all activities in the area of certification, which are registered for the certification area of 12,634.40 hectares.

Organization progress record related to corrective action on findings of nonconformities in previous audit

The result of Surveillance 1 Audit is no non-conformity.

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

The result of Transition to IFCC ST 1001:2021 + Surveillance 2 Audit is no non-conformity.

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00012/XII/2015 is valid until 13 December 2025, provided that PT Sumatera Riang Lestari Blok V Rangsang maintains its Recertification schedule and does not have potential major non-conformities at the next Recertification.