

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: CV TUAH NEGERI

TOTAL HECTARES: 1,676.68

SCOPE OF REGISTRATION: Sustainable Forest Management of 1,676.68 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: 22 August 2024

AUDIT END DATE: 24 August 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: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Amin Kadeni

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

WITNESSING EVALUATOR / TRANSLATOR (if any):

SIGNATURE: //

MAJOR CARS: 0

MINOR CARS: 2

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, Riau Province, Indonesia	22 August 2024
Site	Kecamatan Pelalawan, Kabupaten Pelalawan, Propinsi Riau, Indonesia	23 - 24 August 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

CV Tuah Negeri received a work area determination decree from the Minister of Environment and Forestry under Decree Number SK.584/MenLHK/Setjen/PLA.2/8/2019, dated August 22, 2019. This decree recognized the company's timber forest product utilization permit within plantation forests, covering an area of 1,676.68 hectares in Pelalawan Regency, Riau Province. Following a change in nomenclature from IUPHHK-HTI to PBPH (Forest Utilization Business Permit), the PBPH decree was issued based on Decree Number SK.951/MenLHK/Setjen/HPL.0/10/2021, dated October 21, 2021, for the same area of 1,676.68 hectares. No natural forest has been converted into plantation forest since December 31, 2010. The area based on permit is 1,676.68 hectares, the forest area and the certified area remains 1,676.68 hectares.

In its operations, CV Tuah Negeri follows a management plan, detailed in a revised RKUPHHK-HTI document, which was approved by the Minister of Environment and Forestry on June 28, 2019, through Decree Number SK.6088/MenLHK/Setjen/UHP/HPL.1/6/2019. This plan covers a 10-year period (2017-2026) and aims to improve peat governance within the organization's operations in Riau Province. The organization primarily develops *Acacia crassicarpa*, with a four-year growth cycle.

CV Tuah Negeri has also carried out spatial planning for its work area. The land is divided into Local Protection Areas and Other Protected Areas of 251.68 ha (15.01%), Staple Plant area of 1,079.00 ha (64.35%), and Livelihood Plant area of 346 ha (20.64%). The Local Protection Areas and Other Protected Areas include the KPPN/KPSL of 99 ha (5.90%), River Boundaries of 135.82 ha, and Other Protected Areas of 16.86 ha (1.01%). The Organization's operations are located in the Pelalawan District of Pelalawan Regency, within the KPH Tasik Besar Serkap forestry administration area, under the Riau Province Environmental and Forestry Service.

Geographical location of work area is 00°33'40" to 00°29'39" North and 101°57'35" to 102°00'06" East, with work area boundaries:

- North: HPK, PT Riau Andalan Pulp and Paper,
- South: HPK,
- East: PT Riau Andalan Pulp and Paper
- West: APL and HPK.

The work area is located in the Pelalawan River Forest Group, with flat topography, an elevation of 8-150 meters above sea level, and a climate type A, receiving an average annual rainfall of 2,236 mm. The soil consists of hemic and fibric organosols, and the geology is primarily peat. The hydrological unit of the area is part of the Siak River – Kampar River basin.

The Organization, CV Tuah Negeri, has complied with regulations related to peatland management. This includes revising the RKUPHHK for improved peatland governance, compiling reports on peat ecosystem restoration and forest and land fire control, and making necessary adjustments to activities between 2018-2019. Further revisions to the RKUPHHK for the period 2017-2026 have also been carried out. The work area does not include a Peat Dome Peak.

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

The population living around the Organization's concession area is a local community. Based on the Social Impact Assessment Report, the livelihoods of the surrounding population are dominated by the agricultural sector, as farmers/laborers, livestock breeders, then traders, civil servants, entrepreneurs and others. Based on the conflict mapping report, the potential conflict status of CV Tuah Negeri is Controlled (38.72%). Based on the conflict mapping report, the 4.8% of the total area is a claim area.



There is a Livelihood Plant Management Cooperation Agreement between CV Tuah Negeri and two villages since January 25, 2019. Commodities developed are acacia plants and/or other types of staple crop, with planting cycle/harvest period is once every 5 years. The term of agreement is referring to the validity period of the Organization's permit. The First Party has the right to utilize the results of livelihood plant management in the cooperation area. It is including to carry out all livelihood plant management activities, contributing to the value of the benefits of the livelihood plant results in each cycle. Payment of benefits will be made after harvest. The Second Party has the right to obtain the benefits of livelihood plant according to the obligations of the First Party. The Second Party is obliged to maintain the security of livelihood plant from encroachment, theft by third parties or any group. The Second Party is responsible for resolving social problems such as security disturbances, vandalism, and disputes. The Second Party is responsible for distributing the benefits of the livelihood plant to the entire community.

There is a Community Development Program Implementation Report for the January - December 2023, such as assistance for building materials for the elementary school, supports of installation of fittings and garden lights at the Ramadhan Market in the village. They had provided sugar palm seedlings and vegetable seedlings for a local community program. Furthermore, the Organization contributed sports uniforms for the village's officials and staff. While in January - June 2024, the company has provided a sound system for the youth group and assistance of basic food supplies to flood victims.

There is Evidence of a Community Development Program Report to the Riau Province Environmental and Forestry Service and to BPHL Region III Riau and West Sumatra regarding Submission of the First Quarterly Report on the Implementation of Community Development for January to March 2024 in the Name of CV Tuah Negeri in Pelalawan Regency.

Description of the Ecological conditions of the concession

The Organization has implemented appropriate maintenance and enhancement of forest resources, contributing to the global carbon cycle. Positive climate practices have been carried out in forest management, including monitoring microclimate changes (temperature, CH, and humidity), ambient air quality, identifying greenhouse gas emission sources, and estimating high carbon stock. The estimation of high carbon stock was included in the Integrated NKT-SKT Assessment Report in December 2023.

The Organization has also focused on maintaining the health and vitality of the forest ecosystem by establishing operational standards that support the maintenance of genetic, species, and structural diversity. These standards help improve forest health and vitality against harmful environmental factors and strengthen natural regulatory mechanisms.

The Organization has organized its work area, designating a Local Protection Area and mapping areas reserved for conservation, biodiversity protection, and the protection of endangered and protected species. An area of 251.68 hectares has been allocated for this purpose. The Organization does not use modified species and instead develops local species seedlings for enriching forage plant species and mixed forests in protected areas. Additionally, the Organization does not use fire for forest management and complies with the applicable regulations, such as those in the Ministerial Decree P.32/MenLHK/Setjen.Kum.1/3/2016 concerning Forest and Land Fire Control.

The Organization has also established and implemented documented procedures for waste management, including hazardous and toxic waste (B3). These include SOPs for managing B3 waste, household waste, fuel, lubricants, and chemical spills.

Results of the Public Consultation

Prior to conducting Transition to IFCC ST 1001:2021 + Surveillance 2 Audit on CV Tuah Negeri, 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 11 July 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 CV Tuah Negeri. The reported cases are considered as part of the PT Acube TIC International audit process.

The Organization 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 1,676.78 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 was two (2) minor non-conformity. The Organization has made improvements and the non-conformity is closed.

Number	Non-Conformities	Corrective Action Performed	Category
1	During field verification with the plantation contractors, there were toilet facilities that did not comply with occupational safety and health standards. Indicator 5.3.4.2	The Organization has improved toilet facilities that do not meet Occupational Safety and Health (K3) standards.	Minor
2	The Organization has mitigated the impact of infrastructure construction activities. As a result of the flooding in January-February 2024, the quality of the road leading to the company's area decreased. The limited land transportation facilities became obstacles in mobilizing the team to the field and delivering audit notification letters to surrounding villages. Indicator 7.5.6	The Organization has planned improvements to roads and transportation facilities.	Minor

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00015/I/2016 is valid until 06/01/2026, provided that CV Tuah Negeri completes all corrective actions according to the time schedule proposed in its corrective action responses and does not have the same problems at the next Recertification visit. If the non-conformities are not closed at the next Recertification, the certificate will be suspended until such time as AJA EUROPE is able to perform a closeout visit.