

# **Public Report Sustainable Forest Management System**

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**AJA EUROPE**  
**PUBLIC AUDIT REPORT - SFM**  
**TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE**



**CLIENT NAME:** CV TUAH NEGERI

**TOTAL HECTARES:** 1,480 ha

**SCOPE OF REGISTRATION:** Sustainable Forest Management of Plantation Forest covering 1,480 hectares in Riau Province, Indonesia

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

**TYPE OF AUDIT:** Recertification

**AUDIT START DATE:** August 28, 2018

**AUDIT END DATE:** August 30, 2018

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

**SIGNATURE:**

**AUDIT TEAM:** Abdullah Mujahid

**SIGNATURE:**

Agung Utama Lubis

**SIGNATURE:**

**MAJOR CARS:** 0

**MINOR CARS:** 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
CV. Tuah Negeri	Pelalawan District, Pelalawan Regency, Riau Province, Republic of Indonesia	August 28 to 30, 2018
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	
NA		

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Date: 15 September 2016

Page: Page 2 of 5



#### Brief Description of the concession

The concession area of CV. Tuah Negeri is based on the Business Permit for Forest Products Utilization of Industrial Plantation Forest and the area boundary report is as follows:

1. Decree of the Minister of Forestry No. : SK.215 / MENHUT-II / 2007 concerning Renewal of Business Permit for the Utilization of Timber Forest Products in Industrial Plantation Forests of CV. Tuah Negeri on Production Forest Area covering approximately 1,480 hectares in Riau Province, May 28, 2007.
2. Boundary report No. LP.008 / BPKH.XIX / PKH / - / 7/2016 dated December 27, 2016 covering an area of 1,676.68 ha.

The management plan of CV. Tuah Negeri is RKUPPHK-HTI (Long-Term Work Plan for Timber Forest Product Utilization in Industrial Plantation Forests) for a 10-year period from 2017 to 2026 within the framework of Improving Peat Governance on behalf of CV. Tuah Negeri, which was approved based on the Minister of Forestry Decree No. SK.1113 / Men LHK-PHPL / UHP / HPL.1 / 3/2018 dated 03/13/2018. Spatial layout of plantation according to RKUPPHK-HTI CV. Tuah Negeri is the Peat Ecosystem Protection Function Area (KFLEG) covering 1,316.68 ha (78.5%), Staple Plant Area of 245 ha (14.6%) and Livelihood Plant Area of 115 ha (6.9%), or a total of 1,676.68 ha.

There is a report on the results of the Self and Partnership Boundary Arrangement and on the Working Area of the Business Permit for the Utilization of Timber Forest Products in Industrial Plantation Forests (IUPPHK-HTI) of CV Tuah Negeri with PT Riau Andalan Pulp and Paper in Pelalawan Regency, Riau Province Number: LP.008 / BPKH.xix / pkh / - / 7/2016 Year 2016. The boundary length is 20,317.55 meters and the enclosed area 1,676.68 ha.

There has been no conversion of natural forest to plantation forest since December 2010, thus the scope of the area for IFCC certification is 1,480 ha, still being based on the IUPPHK-HTI Decree.

Geographically, the work area of the CV Tuah Negeri Management Unit is located between 00°33'40" - 00°29'39" N and 101°57'35" - 102°00'06" E. and the concession falls under the governmental administration of Pelalawan District, Pelalawan Regency, Riau Province. Located in the Pelalawan River Forest group, the topography of the area is in the flat category (0-8%), located at an altitude of 3 to 5 meters above sea level.

The type of soil in the area of CV Tuah Negeri is organosol saprik. This organosol soil is equivalent to histosol according to the FAO/UNESCO classification and belongs to the Tropohemist and Troposaprist associations according to the USDA Classification. Land conditions are generally having rooting zone limiting factors (marshy), acid soil pH (4-6) and low-medium soil fertility. Land and soil units in the working area are freshwater oligotropic peat domes. Based on the Map of the 1: 250,000 Peat Ecosystem Functions issued by the Ministry of LHK (Attachment to Minutes No.BA.046 / UHP / RKUPHT / HPL.I / 3/2017 dated March 20, 2017 all of the working areas are peat soil.

Based on Pekanbaru Geological Sheet Map Scale 1: 250,000 (Bandung Geological Research Center, 1982), the geological formation consists of Alluvium Rocks. The climate is categorized as being type: A with average rainfall of 216 mm/month, the highest falling in May (409 mm) and least in June (112 mm). The Tasik and Kompas Rivers flow through the concession.

Given the foregoing conditions, the species chosen for main crop cultivation is *Acacia cracicarpa*.

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

Delik and Lalang Kabung are the two village communities around the CV Tuah Negeri concession in the Pelalawan District, Pelalawan Regency, Riau Province. Residents in the two villages are characterized as belonging to the local community, there being no customary law communities around the CV Tuah Negeri concession, and agriculture dominates the livelihoods of the residents of both villages,

CV Tuah Negeri has made efforts to resolve conflicts with the community, having procedures in place that include mapping and conflict resolution reports. In one such case, CV Tuah Negeri has identified land that was cultivated by the community in March 2016. Documented efforts have included identifying claimed land, reporting to the Forest Service, conducting



meetings and negotiations at the village government, sub-district and community leaders. CV Tuah Negeri has also sent a notification letter to the forestry agency regarding encroachment activities of the company's work area.

CV Tuah Negeri has entered into agreements with local communities for collaborating with local contracting partners in forest management activities on both land and water. There is a fire prevention cooperation between CV Tuah Negeri and the Delik Village community. Based on interviews with the heads of the two villages, discussion are well on the way on the process of reaching a livelihood plant cooperation agreement.

CV Tuah Negeri has carried out village community development activities in the area, the quarterly implementation reports for the first two semesters of 2018 being on record.

### **Description of the ecological conditions of the concession**

The Management Unit has identified forest management activities that have an important impact, and conducts an environmental impact assessment through: Documents for UKL / UPL IUPHHK-HT CV Tuah Negeri (Approved by Head of Bapedalda of Pelalawan District No. 10 / Year / 2002, December 23, 2002. RKUPHHK 2017-2026 Improvement of Peat Governance: Implementation of environmental management and monitoring each semester is presented in the Environmental Permit Implementation report (RPL / RKL).

Reduced Impact Logging activities are carried out in stages before logging (pre-harvesting), during logging operations (harvesting), after logging activities (post-harvesting). However, with 1,316.68 ha of the total concession area of 1,676.68 ha being designated as Peat Ecosystem Protection Function Area (KFLEG), the vast majority qualifies as area that functions for land and water protection. Spatial planning of the Peat Ecosystem Protected Area Function in the field is carried out in stages until the harvest of the previous cycle plants has been completed. KFLEG area boundary arrangement is that which has been made in the field.

Plantation forest operational activities in peatlands raise fears of causing damage to the peat ecosystem, characterized by the presence of artificial drainage, exposure to pyrite sediments and the reduction of land cover area. Specific guidelines have been prepared for recovery of damaged peat ecosystems, which include no replanting of staple or livelihood plants, taking measures to maintain water levels, no further clearing but re-vegetation with right type, species and process for the area.

Besides monitoring of the physical and chemical properties of the soil and water, the Management Unit also carries out Biodiversity Management activities, including identification and inventory of protected, endemic, or endangered species of flora and fauna. There are no key species in the area, but while there is a distribution map for fauna. The species of staple plant cultivated is not a genetically modified tree species, but *Acacia cracicarpa*.

The Management Unit carries out Forest Protection activities through identification and monitoring of disturbances in the concession. The Management Unit has documented procedures for preventing and handling disease and pest infestation, plus conducts regular patrols of the concession to minimize disruption due to human elements. The disease and pest infestation may require chemical treatment and the Management Unit has specific procedures for the handling of hazardous or toxic waste (B3). To counter human disturbances, the Management Unit conducts socialization, as well as erects and maintains warning notices about the prohibition of lighting fires or grazing livestock on concession land. It also conducts regular patrols to ensure such measures are enforced.

Forest protection measures are also implemented against fire hazards. Besides monitoring potential fire hotspots, the Management Unit also has a cooperation agreement for fire protection with local villagers.

### **Results of the Public Consultation**

Prior to conducting the recertification audit, PT AJA Sertifikasi Indonesia carried out a public consultation commencing July 20, 2018 requesting stakeholders to provide input and information on CV Tuah Negeri. 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 mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders during the public consultations.

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The audit team also gathered information from the mass media about CV Buah Negeri, such reported cases being given material consideration as part of the audit process carried out by PT AJA Sertifikasi Indonesia.

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

Based on the results of the Recertification Audit of CV Buah Negeri, no Non-Conformities of either a Major or Minor nature were identified by the audit team.

**Conditions under which the certificate is issued**

Certificate is valid until 06/01/2022