

Public Report Sustainable Forest Management System

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PUBLIC AUDIT REPORT – SFM

TO BE SUBMITTED TO THE ORGANIZATION, IFCC AND TO AJA EUROPE



ORGANIZATION NAME: PT MITRA KEMBANG SELARAS

TOTAL HECTARES: 15,028.09

SCOPE OF REGISTRATION: Sustainable Forest Management of 15,028.09 Hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST1001:2021 + Surveillance 1

AUDIT START DATE: 23 April 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

AUDIT END DATE: 26 April 2024

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Ence Hedi Hasan Zubaedi

SIGNATURE:

Qodly Zaka Syahtriawan

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Head office	Jl. Taskurun / Duku No. 96 A Kelurahan Wonorejo, Kecamatan Marpoyan Damai, Kota Pekanbaru, Provinsi Riau. Pos: 28125	23 April 2024
Site	Desa Seko Lubuk Tigo, Kecamatan Lirik; Desa Banjar Balam, Kecamatan Lirik Dan Desa Danau Baru, Kecamatan Rengat Barat, Kabupaten Indragiri Hulu, Provinsi Riau, Indonesia	24-26 April 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	

Brief Description of the concession

PT Mitra Kembang Selaras recent concession decree is Decree of the Minister of Environment and Forestry Number: SK.1010/Menlhk/Setjen/PLA.2/9/2022 dated September 16 , 2022 about The Determination of Forest Utilization Business License of PT Mitra Kembang Selaras of 15,028.09 ha in Indragiri Hulu Regency, Riau Province. There is no conversion of natural forests into plantation forests above December 31, 2010, so that the area registered for IFCC certification 15,028.09 Ha.

According to the revision of RKUPHHK-HTI for the period of 2018 to 2027, Staple Plant area of 9,179 Ha (61.08%), Livelihood Plant area of 2,567 Ha (17.08%), and Local Protected Areas and Other Protected Areas of 3,282 Ha (21.84%) consisting of River Borders of 103 Ha (0.69%), Buffer Zone of 445 Ha (2.96%), KPPN of 81 Ha (0.54%), KPSL of 78 Ha (0.52%), and Other Protected Areas of 1,533 Ha (10.20%).

PT Mitra Kembang Selaras is located in the forest group of Merbau River, Sagolirik River and Sikayan River, Indragiri Hulu Regency, Riau Province. Geographically, it is located at 0° 09' 5.77" to 0° 17' 16.08" South and 102° 17' 08.10" to 102° 25' 55.75" East. The work area boundaries area as follows:

- North side: PT Merbau Pelalawan Lestari
- East side: Buffer Zone of Kerumutan Wildlife Sanctuary
- South side: PT Teso Indah (oil palm plantation)
- West side: PT Gandaerah

The area site is a wetland (lowland), with the soil type being organosol gleihumus. Area geology of PT Mitra Kembang Selaras is a Swamp Sediment Formation (Qs), which is composed of clay, silt and peat, black to brown, soft and not hardened. The Organization has complied with regulations related to peatland management. There is the peat dome peak area of a total of 2,150.37 ha, which spread over; river border of 41.86 Ha, Buffer Zone of 445.0 Ha, KPPN of 41.06 Ha, KPSL of 20.92 Ha, other protected areas of 559.45 Ha, and in the former area of livelihood plants of 1,042.08 Ha. The topography of the area of PT Mitra Kembang Selaras is entirely flat, with slope class (0% – 8%), and elevation above sea level of 6 to 40 meters. The climate type based on Schmidt Fergusson classification includes type A (Q=14.43%), with daily rainfall is 14.72 mm/day, the highest month is 201.29 mm/month, the lowest month is 85.6 mm/month. The staple plant cultivated is *Acacia crassicarpa*.

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

PT Mitra Kembang Selaras is surrounded by local community. According to a village head, the type of economic livelihood is dominated as oil palm/rubber farmers and followed by workers/services, traders, employees/civil servants, and others. The Organization has made conflict resolution efforts with surrounding communities. Based on the Conflict Resolution Report of PT Mitra Kembang Selaras 2023, the category is safe. This is reinforced by effective communication and submission of complaints such as socialization and fulfilled social obligations from the company to the surrounding village community in accordance with the applicable sop of the organization. Organizations are asked to put more emphasis on CD/CSR programs to be further improved for the welfare of the surrounding community in maintaining the harmony that has been maintained.

PT Mitra Kembang Selaras has an addendum to the cooperation agreement between the company and the village community in livelihood plant. Cooperation of livelihood plant has been implemented since 2002. This was confirmed by the relevant village officials during the interview. This is implemented by providing value benefits to the community. The provision of benefits will be re-implemented in the next harvest cycle.



The Organization has undertaken social obligations to the community through CSR and CD programs. Based on the realization of CSR/CD, the company has exceeded the target of the CSR/CD plan in 2023. The CSR activities that have been carried out include the provision of teacher honorarium, religious assistance, basic food assistance, assistance for ablution and mosque toilets, Indonesian Independence Day assistance, and sports equipment for the surrounding village community. In addition to improving the skills of the surrounding community, the Organization has provided training and provision of sewing machine tools to surrounding villages to improve the economic level of the community through services.

Description of the Ecological conditions of the concession

The Organization has managed the ecosystem and hydrological functions of the forest through the activities of:

- Examined EIA, RKL and RPL 2002, submitted Environmental Permit Implementation Report (RKL PT. Mitra Kembang Selaras Semester I and II of 2022, Revised RKUPHHK-HTI of 2017 to 2026.
- Implementation of Reduce Impact Logging before, during, and after harvesting.
- Allocation of area functioned as soil and water protection to be protected areas.
- The Organization has established and implemented documented procedures that serve as guidelines in conducting impact monitoring activities.
- The Organization has documented procedures for the Controlled Use of B3 (hazardous and toxic materials).

The Organization has conducted biodiversity management activities through the following activities:

- Identification and inventory of protected, endemic, rare and threatened/endangered flora and fauna in the as well as their habitat and environmental impact assessment of the potential impact in the concession area. The identification and inventory results are stated in EIA document RKL and RPL IUPHHK-HTI PT Mitra Kembang Selaras 2002.
- Not cultivated the GMO species but *Acacia crassicarpa*.

The Organization has implemented appropriate forest protection activities, namely:

- Monitoring disturbances in sustainable forest management in the form of forest fire hazards, illegal land encroachment and illegal logging.
- Have documented procedures to prevent and deal with pests and diseases, namely Integrated Pest and Disease Control SOP.
- Regulate the management of chemical pesticides in the field with documented procedures and MSDS.
- Implemented forest protection measures against fire hazards. Fortunately, there was no fire in 2023.
- Prohibition of livestock grazing activities by the community .

Results of the Public Consultation

Prior to carrying out the Transition to IFCC ST 1001:2021 + Surveillance 1 Audit, PT Acube TIC International conducted a public consultation starting March 20, 2024, asking stakeholders to provide feedback and information about PT Mitra Kembang Selaras. The public consultation was uploaded to the PT Acube TIC International website (www.ajaindonesia.com), sent to parties by e-mail or postal mail, and published in local newspapers. PT Acube TIC International does not receive any input from stakeholders during public consultations.

The audit team also collected information from the mass media about PT Mitra Kembang Selaras. 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, registered for a total of 15,028.09 hectares.

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



The results of Recertification Audit were no non-conformities. The management system operates effectively.

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

The results of Transition to IFCC ST1001:2021 + Surveillance 1 Audit were no non-conformities. The management system operates effectively.

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00020/VI/2016 is valid until 22 June 2026, provided that PT Mitra Kembang Selaras maintains its Surveillance schedule and does not have potential major non-conformities at the next Surveillance.