

Public Report Sustainable Forest Management System

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PUBLIC AUDIT REPORT – SFM

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



CLIENT NAME: PT Citra Sumber Sejahtera Sejati

TOTAL HECTARES: 15,360

SCOPE OF REGISTRATION: Sustainable Forest Management of 15,360 hectares of Plantation Forests in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 2 (REMOTE)

AUDIT START DATE: June 21, 2021

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: June 24, 2021

LEAD AUDITOR: Agung Utama Lubis

SIGNATURE:

AUDIT TEAM: Riyadi Sigit Pamungkas

SIGNATURE:

Amin Kadeni

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Citra Sumber Sejahtera Sejati	Peranap District, Indragiri Hulu Regency, Riau Province – Republic of Indonesia	June 21 to 24, 2021
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 concession area of PT Citra Sumber Sejahtera Sejati is obtained based on the Decree of the Minister of Forestry of the Republic of Indonesia No. 68/Menhut-II/2007 dated February 23, 2007 of 15,360 ha located in Indragiri Hulu Regency, Riau Province. Then, issued new Decree of the Minister of Forestry of the Republic of Indonesia Number: SK.791/MenLHK/Setjen/HPL.0/10/2019 dated October 11, 2019, regarding The Amendments to SK.68/Menhut-II/2007 dated February 23, 2007, which happens to change the company name from PT Citra Sumber Sejahtera to PT Citra Sumber Sejahtera Sejati. There was no conversion of natural forest above December 31, 2010, thus, the scope of IFCC certification is 15,360 ha.

According to the RKUPHHK-HTI (Work Plan for Industrial Timber Forest Products) ratified by SK. 123/MENLHK-PHPL/UHP/HPL.1/1/2018 dated January 22, 2018, the spatial layout of the Management Unit is Local Protected Areas and Other Protected Areas of 2,708 ha (17.63%), Staple Plants area of 8,984 ha (58.49%) and Livelihood Plant area of 3,668 Ha (23.88%), with a total of 15,360 ha (100%).

The work area of PT Citra Sumber Sejahtera Sejati is geographically located at 00° 43' 20" to 00° 51' 30" South and 101° 53' 45" to 102° 00' 35" East. Based on government administration, it is located in Peranap District, Indragiri Hulu Regency, Riau Province, with area boundaries, as follows:

- North side: KUD Serangge Permai;
- South side: Bukit Batabuh Protected Forest;
- East side: KUD Seranggai Permai and KUD Cipta Bina Karya;
- Westside: PT. Artelindo Wira Tama.

The working area has a flat topography (0–8%) of 51.51%, sloping (8%-15%) of 37.87%, and wavy (15-25%) of 10.62%, with an altitude of 30 to 60 meters above sea level. It is part of the Kwalaran River Forest Group and crossed by Peladangan River and Serangge River. Based on the climate classification according to Schmidt-Ferguson, PT. Citra Sumber Sejahtera Sejati belongs to climate type A with a value of Q=14.3%. The concession area is included in the geological formations of Palembang (Qtpu; Tpm; Tpl) and the geological formations of Telisa (Tmtu; Tmtl). The soil type is Red Yellow Podsollic (PMK). The entire work area of PT. Citra Sumber Sejahtera Sejati is mineral soil. The Management Unit develops *Acacia mangium* and *Eucalyptus* sp.

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

Residents around the company concessions are local communities. There are no indigenous communities around the concession. The main livelihood of residents around the concession, based on the RKUPHHK HTI document for the period 2018 to 2027, is in the plantation sector. This is in line with the report on the environmental management plan and environmental monitoring plan. Based on the Assisted Village Data, there is one fostered village around PT Citra Sumber Sejahtera Sejati, namely Pauh Ranap Village, Peranap District, Indragiri Hulu Regency, Riau Province.

PT Citra Sumber Sejahtera Sejati has made efforts to resolve conflicts with the surrounding community. According to the Conflict Resolution Matrix of 2020, the current claim area has decreased significantly from the original claim area in 2015. There is a Chronological Report Towards Implementation of Area Conflict Resolution through Participatory Mapping Area of 2020.

The Management Unit collaborates with the surrounding community by Plantation Forest Development Cooperation and inland and forest fire prevention. There is a fire-fighting training report in Pauh Ranap Village, January 13, 2021.

PT Citra Sumber Sejahtera Sejati has carried out its corporate social responsibility (CSR) to the surrounding community through the CSR Program. There is a Corporate Social Responsibility Program Report of 2020 and Quarter I of 2021. The implementation of CSR activities includes assistance to local community leaders, skills training, extension on natural resources and forest conservation, development of fostered villages, cattle farming cultivation, facilities, and infrastructure assistance, repair of village roads, assistance for worship equipment and renovation, assistance for youth activities, participation in religious activities, and assistance to communities affected by COVID-19.

Description of the Ecological conditions of the concession

PT Citra Sumber Sejahtera Sejati has identified through an inventory and mapping of the distribution of protected, endemic, rare, and threatened/near-extinct species of flora and fauna and their habitats through AMDAL Document of PT. Citra Sumber Sejahtera 2002. Based on the AMDAL Document, PT Citra Sumber Sejahtera Sejati has identified protected key species of flora and fauna in its working area, such as Sumatran elephant (*Elephas maximus sumatranus*).

PT Citra Sumber Sejahtera Sejati has protected, rare, endangered, sensitive, or representative forest ecosystems, by allocating Local Protected Areas and Other Protected Areas of 2,708 ha (17.63%) which consists of River Border of 1,813 Ha (11.80%), KPPN of 100 ha (0.65%), KPSL of 100 Ha (0.65%), and Buffer Zone of Bukit Betabuh Protection Forest of 695 Ha (4.5%). Forest protection activities carried out by the Management Unit are installation of prohibition and appeal signboards, patrol activities, and prohibited logging activities in protected areas.

The species of plants cultivated at PT Citra Sumber Sejahtera Sejati are per the legalized RKUPHHK-HTI Document of PT Citra Sumber Sejahtera Sejati, namely the *Acacia mangium* and *Eucalyptus* sp. The seed source is from a certified Central Nursery of Riau Andalan Pulp and Paper.

Forest disturbances in the form of illegal settlements and poaching were not found in the concession area of PT Citra Sumber Sejahtera Sejati. The Management Unit makes minutes and report to the authorities for each activity that violates forest protection. To prevent and deal with various forest disturbances, PT Citra Sumber Sejahtera Sejati has a network of canals that function for transportation, patrols, and firebreaks. In addition, there were also fire-fighting command posts, fire towers, and water reservoirs for monitoring and handling forest and land fires.

Results of the Public Consultation

Before carrying out the Surveillance 2 Audit, PT AJA Sertifikasi Indonesia conducted a Public Consultation commencing May 15, 2021, asking stakeholders to provide feedback and information about PT Citra Sumber Sejahtera Sejati. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to 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 consultation.

The audit team also collected information from the mass media about PT Citra Sumber Sejahtera Sejati, the reported cases being given material consideration as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the requirements required for this certification process, which consists of legal aspects that include compliance with international rules and regulations, and conventions. A management system has been built to cover all activities in the area of certification, which is registered for an area of 15,360 hectares.

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

Based on the results of Surveillance 2 Audit Results, no Non-Conformities of either a major or minor nature were identified by the audit team. The management system of PT Citra Sumber Sejahtera Sejati is operating effectively.



Conditions under which the certificate is issued

The certificate is valid until July 26, 2022, provided that PT Citra Sumber Sejahtera Sejati maintains its Surveillance schedule and does not have any major non-Conformities on the next Surveillance visit.