

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT CITRA SUMBER SEJAHTERA SEJATI

TOTAL HECTARES: 15,360

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

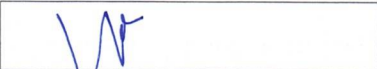


STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

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

AUDIT START DATE: 18 March 2024
 AUDIT END DATE: 21 March 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: Andri Wibisono
 AUDIT TEAM: Abdullah Mujahid
 Qodly Zaka Syahtriawan

SIGNATURE: 
 SIGNATURE: 
 SIGNATURE: 

MAJOR CARS: 0

MINOR CARS: 1

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Head office	Jl. Samratulangi No. 24/26, Pekanbaru, Provinsi Riau, Indonesia	18 March 2024
Site	Peranap Estate, Kecamatan Peranap, Kabupaten Indragiri Hulu, Provinsi Riau, Indonesia	19 to 21 March 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 Citra Sumber Sejahtera Sejati obtains its latest SK PBPH (Business License for Forest Utilization) based on the decree of the Minister of Environment and Forestry number SK. 813/MENLHK/SETJEN/HPL.0/9/2021 dated September 21, 2021. There is a change in nomenclature from IUPHHK-HT to PBPH (Business License for Forest Utilization).

Based on the Environmental Impact Analysis document 2002, PT Citra Sumber Sejahtera (now PT Citra Sumber Sejahtera Sejati) is in the administrative area of Pauh Village Ranap District Peranap Indragiri Hulu Riau Province. The assisted village of PT Citra Sumber Sejahtera Sejati is Pauh Ranap Village, Peranap District, Indragiri Hulu regency, Riau province. PT Citra Sumber Sejahtera Sejati is located at 00° 43' 20" to 00° 51' 30" South and 101° 53' 45" to 102° 00' 35" East. The area boundaries are as follows:

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

According to the long-term business plan (RKUPHHK-HTI) for the period of 2018 to 2027, which has been ratified by the Decree of the Minister of Environment and Forestry Number SK. 123/MENLHK-PHPL/UHP/HPL.1/1/2018 dated January 22, 2018, the spatial layout of the working area 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%). The Local Protected Areas and Other Protected Areas consists of River Border area of 1,813 Ha (11.80%), KPPN area of 100 Ha (0.65%), KPSL area of 100 Ha (0.65 %), and Buffer Zone of Bukit Batabuh Protection Forest of 695 Ha (4.53%).

The concession area is a dryland in KPH Indragiri Hulu, Dinas Lingkungan Hidup dan Kehutanan Propinsi Riau. It has a flat topography (slope 0-8 %) and 8.01% ramps (slope 8-15%) with a height of 30-60-60 m above sea level. Located in hydrological unity of River of Kelawaran, Peladangan and Serangge, DAS Indragiri. PT Citra Sumber Sejahtera Sejati cultivates *Eucalyptus* sp., *Acacia mangium* and *Acacia crassicarpa*.

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

There is no customary law in the area of PT Citra Sumber Sejahtera Sejati. According to the village officials, the livelihoods of villages around the company are farmers, workers/services, traders, employees/civil servants, and others.

The organization has made conflict resolution efforts with surrounding communities. Based on the 2023 Claim Area Identification and Settlement Report, there is a decrease in claims every year with the conflict resolution process. This decrease resulted from effective communication and submission of complaints such as socialization, village consultation, and fulfilled social obligations of the company to the surrounding village community.

PT Citra Sumber Sejahtera Sejati has an addendum to the cooperation agreement between the company and the village community in the form of livelihood plants. This cooperation has been implemented since 2010 along with the village community. This was confirmed by the relevant village officials during the interview. The livelihood plants cooperation is implemented by providing value benefits to the community. The last benefit delivery was carried out in 2023 and will be carried out again in the next harvest cycle.

The organization has carried out social obligations to the community through CSR and CD programs. Based on the realization of CSR/CD, the company has not fully reached the target of the CSR/CD plan in 2023, it will be increased



again in 2024 according to the needs of the assisted villages. The CSR activities that have been carried out include effective incentive distribution programs.

Description of the Ecological conditions of the concession

The Organization has carried out ecosystem and hydrological forest function management through the following activities:

- Important forest management activities, and environmental impact assessment through EIA RKL and RPL documents, Reports on the implementation of Environmental Management and monitoring each semester are presented in the Environmental Permit implementation report (RPL/RKL).
- Implementation of Reduced Impact Logging before, during and after harvesting.
- Allocation of area functioned as water and soil protection.
- Established and implemented documented procedures that to be a guideline in conducting impact monitoring activities, implemented procedures for the Controlled Use of B3 (hazardous and toxic materials).

The Organization has carried out activities biodiversity management through the following activities:

- Identification and inventory of protected, endemic, rare and threatened/endangered flora and fauna and their habitat in the concession area as well as the environmental impact assessment. The results are stated in EIA document RKL and RPL IUPHHK-HTI 2002, RKL/RPL implementation report.
- The type of tree cultivated is not a genetically modified.

The Organization has implemented appropriate forest protection activities, namely:

- Monitoring disturbances in sustainable forest management such as 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.
- Have implemented forest protection measures against fire hazards.
- Prohibition of livestock grazing activities by the community.

Results of the Public Consultation

Prior to conducting Transition to IFCC ST 1001:2021 + Surveillance 2 Audit on PT Citra Sumber Sejahtera Sejati, PT Acube TIC International has made a public announcement and public consultation. Invitation to public consultation to stakeholders to obtain input as materials/considerations in conducting reertification audits through the website www.ajaindonesia.com on February 12, 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 Citra Sumber Sejahtera Sejati. 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 15,360 hectares.

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



The Surveillance 1 Audit result is 1 (one) non-conformity in Minor category. The Organization has made improvements and the non-conformity can be closed.

No.	Non-Conformities	Corrective Action Performed	Category
1	Based on an examination of the RKTPH 2023 and the Revision of RKTPH 2022 documents, there are differences in data on the Planned Harvest Area, Planned Harvesting Volume and Realized Harvesting Volume in both documents. Clause I.1.1 and II.5.1	PT Citra Sumber Sejahtera Sejati will submit evidence of the RKTPH 2022 Implementation Manual Reporting and Non-Tax State Revenue Management Information System (SIM PNBP) of 2022. At the time of preparing the 2023 RKTPH, the government information system (on website) referred to the initial RKTPH 2022 data for the displayed RKTPH 2022 Realization, whereas the information system should have referred to the Revised of RKTPH 2022 due to some revision to the initial data.	Minor

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

The Transition to IFCC ST 1001:2021 + Surveillance 2 Audit result is 1 (one) non-conformity in Minor category. The Organization has made improvements and the non-conformity can be closed.

Nomor	Non-Conformities	Corrective Action Performed	Category
1	The Organization already has Risk Management, but it does not cover comprehensively for the achievement of organizational goals, for example the achievement of production targets. Clause Ref 5.1.1.	The Organization will develop a comprehensive risk management for the achievement of organizational goals. Includes all aspects of forest management, both internal and external factors.	Minor

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00025/VII/2016 is valid until 26 July 2025, provided that PT Citra Sumber Sejahtera Sejati 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.