

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 SUMATERA SYLVA LESTARI UNIT PADANG LAWAS

TOTAL HECTARES: 33,390

SCOPE OF REGISTRATION: Sustainable Forest Management of 33,390 hectares of Plantation Forest in North Sumatra Province

STANDARD / CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1 (REMOTE)

AUDIT START DATE: July 27, 2020

AUDIT END DATE: July 30, 2020

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

AUDIT TEAM: Ence Hedi Hasan

Warsito

SIGNATURE:

SIGNATURE:

SIGNATURE:

MAJOR CARS: -

MINOR CARS: -

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Sumatera Sylva Lestari Unit Padang Lawas	Barumon District, Padang Lawas Regency, North Sumatra Province – Republic of Indonesia	July 27 to 30, 2020
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

PT Sumatera Sylva Lestari Unit Padang Lawas has not converted any natural forest to plantation forest since the issuance of the HTI Decree in 2001 (Minister of Forestry Decree No.: 82 / Kpts-II / 2001 dated March 15, 2001 concerning the Granting of Concession Rights for Wood Plantation Forests to PT Sumatera Sylva Lestari for a forest area of about 42,530 ha in North Sumatra and Riau Provinces). The Padang Lawas unit is located in North Sumatra Province covering an area of 33,390 ha.

There were no areas of natural forest that were converted to plantation forest after December 31, 2010. Thus, the scope of the IFCC certification is for an area of 33,390 hectares.

PT Sumatera Sylva Lestari Unit Padang Lawas has revised the IHMB-based HTI RKUPHHK for the period 2013 to 2022 (Minister of Forestry Decree Number SK.14 / VI-BUHT / 2013 dated April 1, 2013). Spatial planning according to the RKUPHHK is a Protected Area of 3,593 ha (10.76%), Ineffective for Production Area of 579 ha (1.73%), Staple Plants Area of 23,150 ha (69.34%), Indigenous Plants Area of 4,397 ha (13.17%) and Livelihood Plants Area of 1,671 ha (5.00%).

PT Sumatera Sylva Lestari Unit Padang Lawas is located geographically at 01° 03' 38" to 01° 31' 06" South and 99° 45' 53" to 100° 01' 00" East. Based on government administration, it is located in Districts of Sosa, Lubuk Barumun, Barumun Tengah, Huristak and Simangambat, Padang Lawas Regency and North Padang Lawas Regency, North Sumatra Province.

The topography of PT Sumatera Sylva Lestari Padang Lawas is mostly flat (0-8%) at an altitude of 50 to 200 meters above sea level. It has Red Yellow Podsolc soil type and its geological formations include the formation of farmers, minsa and Alluvium.

The climate based on Schmidt-Fergusson is classified as Type A, with rainfall of 2,259 mm / year with the highest rainy month in December and lowest in June.

Hydrology includes the Hampasang River and Simarbuaya River Basins.

Based on the foregoing, the species of plants cultivated are *Acacia mangium* and *Eucalyptus* sp.

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

PT Sumatera Sylva Lestari has identified and respects the rights of the community, including their legal rights to control and use forest resources in the permit areas as stated in the RCU IUPHHK HTI documents for the period 2013 to 2022. The document presents data on the socio-cultural components of the community around the concession area of PT Sumatera Sylva Lestari, which includes: population, population density, employment, community income, housing conditions, education level, religious facilities, health and other facilities such as clean water.

Administratively, the PT Sumatera Sylva Lestari concession is included in the Padang Lawas Regency area, and comprises 35 villages spread over 4 districts. Based on environmental documents compiled in 1999, there are no indigenous peoples, the existing community being Batak Mandailing who embrace Islam, so that their customs and habits are mostly based on Islamic religious values.

From telephone interviews with the Village Heads, the relationship between the village governments and the company is quite good and the public relations department is easy to contact. The company always provides notification when it has job vacancies available.

No additional collaboration with the surrounding community was noted in regard to livelihood plants during the Surveillance I Audit, but based on the previous audit, there was an agreement between the management of PT Sumatera Sylva Lestari and the surrounding village communities as outlined in a formal legal document that allows the exploitation of land for the development of livelihoods in the permit area, as well as the provision of capital for the cooperative business.

There is a report on the plan and realization of the CD program for 2019 and 2020. The program

realized is in the fields of: assistance for laying ducks and fish roe, completing sports facilities, building toilets, assistance for houses of worship and repairing village roads.

Description of the ecological conditions of the concession

The Management Unit has carried out identification of forest management activities with significant impacts, and conducted environmental impact assessments through: PT Sumatera Sylva Lestari AMDAL RKL & RPL documents, Estate Padang Lawas, 1998. Implementation of environmental management and monitoring is presented each semester in the Environmental Permit Implementation report (RPL / RKL).

- The Reduced Impact Logging activity is carried out in stages before harvesting activities (pre-harvesting), during harvesting operations, after logging activities (post-harvesting)
- Identification of areas that function for land protection are designated as KPPN Protected Area.
- Identification of areas that function for water protection are allocated and designated as Riparian Areas.
- Monitoring of negative impacts of forest management activities in the concession area is carried out in accordance with UKL and UPL documents. These serve as guidelines for the documented procedures for Monitoring Protected Areas, for Monitoring of Discharge and Water Quality, and for Monitoring of Subsidence and PPWT.

The Management Unit has carried out Biodiversity Management through identification and inventory of protected, endemic, rare and threatened / endangered flora & fauna within the concession area, the results of which can be found in AMDAL RKL & RPL documents of PT Sumatera Sylva Lestari Unit Padang Lawas in 1998, and updated RKL / RPL Semester Reports. There is a map of the distribution of flora and fauna.

- Identification of key protected and threatened / endangered species includes their habitats and their migration patterns. Based on the identification, there are no key species in the area.
- The species of staple plants cultivated are not genetically modified tree species, but are *Eucalyptus* sp. and *Acacia mangium*.

The Management Unit has carried out Forest Protection activities, whether these disturbances result from human or natural causes.

- Identifying and monitoring disturbances are reported in the RKL / RPL reports each semester.
- There is a documented procedure to prevent and deal with pest attacks, utilizing mechanical, biological or chemical means as deemed applicable.
- Besides regulating the use of chemical pesticides in the field, there are also documented procedures for Weed Control, Integrated Pest and Disease Management. for handling spills of fuel, lubricants and chemicals, and for the management of hazardous and toxic waste (B3).
- The Management Unit has implemented forest protection measures against fire hazards, which include notice boards against the lighting of fires and regular patrols. In addition, no livestock grazing activities are permitted by the community in the work area.
- Appropriate / measurable steps in forest protection activities have also been implemented, where the company has documented procedures for forest protection activities.

Results of the Public Consultation

Prior to carrying out the Surveillance 1 Audit, PT AJA Sertifikasi Indonesia conducted a Public Consultation commencing July 20, 2020, asking stakeholders to provide feedback and information about PT Wananugraha Bima Lestari. 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 Sumatera Sylva Lestari Unit Padang Lawas, 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, registered for an area of 33,390 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 the Surveillance 1 Audit of PT Sumatera Sylva Lestari Unit Padang Lawas, no Non-Conformities of either a Major or Minor nature were identified by the audit team. The management system of PT Sumatera Sylva Lestari Unit Padang Lawas is operating effectively.

Conditions under which the certificate is issued

Certificate is valid until August 04, 2022, provided that PT Sumatera Sylva Lestari Unit Padang Lawas does not have any problems at the next Surveillance visit. If non-conformities are not closed at the next Surveillance, the certificate will be suspended until such time as AJA is able to perform a closeout visit.