

# Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT Sumatera Sylva Lestari Unit Padang Lawas

TOTAL HECTARES: 33,390 Ha

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

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

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

AUDIT START DATE: 2 July 2024

AUDIT END DATE: 5 July 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: Agung Utama Lubis

AUDIT TEAM: Inggita Nuri Prihantini

Andri Wibisono

SIGNATURE:

SIGNATURE:

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. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru 28143, Riau - Indonesia	2 July 2024
Site	Padang Lawas, Kecamatan Barumon Tengah, Lubuk Barumon, Kabupaten Padang Lawas, Sumatera Utara, Indonesia	3, 4, 5 July 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

The Organization received its recent forest management permit in 2021, namely the decree of the Minister of Environment and Forestry number: SK.1490/MenLHK/SETJEN/HPL.0/12/2021 dated December 31, 2021. There is a change of nomenclature from IUPHHK-HTI to PBPH (Forest Utilization business license). The working area of PT Sumatera Sylva Lestari Unit Padang Lawas is 33,390 Ha. In the operational implementation, The Organization has a Forest Utilization Business Work Plan (RKUPH) document which is approved based on the decree of the Minister of Environment and Forestry number: SK.10087/MenLHK-PHL/PUPH/HPL.1/12/2022 dated December 23, 2022 regarding the approval of the Forest Utilization Business Work Plan (RKUPH) for the period 2023-2032 on behalf of PT Sumatera Sylva Lestari in North Sumatra province and Riau province. There was no conversion of natural forests into plantation forests above December 31, 2010. The scope of IFCC certification is 33,390 Ha.

The Organization organizes its work area consisting of Protected area of 3,892 Ha (11.66%) and Cultivation area of 29,498 Ha (88.34%), with a total of 33,390 Ha (100%). The Protected area of 3,892 Ha (11.66%) consists of 2,183 ha (6.54%) of river border, KPPN / KPSL area of 212 Ha (0.64%), Other Protected Areas of 1,497 Ha (4.48%). While the Cultivation area of 29,498 Ha (88.34%) consists of Utilization of Timber Forest Products Forest Plantations of 8,241 Ha (24.68%), other areas (gardens, shrubs, shrubs) of 20,674 Ha (61.92%), and infrastructure area of 583 Ha (1.74%).

PT Sumatera Sylva Lestari Unit Padang Lawas is geographically located at 01°03'38" - 01°31'06" South and 99°45'53" - 100°01'00" East. It is administratively located in Districts of Sosa, Lubuk Barumon, Central Barumon, Huristak and Simangambat, Padang Lawas Regency and North Padang Lawas Regency, North Sumatra Province. Based on the list of villages within the concession, there are 47 villages consisting of 42 villages as Ring 1 and 5 villages as Ring 2, spread over 7 districts, in Padang Lawas Regency, North Sumatra Province. During this audit, there were 8 villages visited by the social auditor.

The topography of PT Sumatera Sylva Lestari Unit Padang Lawas is mostly flat (0-8%) with an altitude of 50 to 200 m above sea level. The soil type is Red Yellow Podzolic with the geological formations include peasant formations, minsa and Alluvium. The climate according to Schmidt Fergusson includes Type A, rainfall 2,259 mm/year with the highest rainy month in December, and the lowest is June. Hydrology includes the Ham Pasang River and Simarbuaya River watersheds. The species of plants developed are *Acacia crassicarpa* and *Eucalyptus sp.* Area boundaries of PT Sumatera Sylva Lestari Unit Padang Lawas are:

- North: Community oil palm plantation and PT Eka Pendawa Sakti.
- South: Community oil palm plantation.
- East: PT Sumatera Riang Lestari and community oil palm plantation.
- West: Community garden.

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

According to the Report on Mapping Potential and Conflict Resolution of PT Sumatera Sylva Lestari Semester II 2023, the livelihoods of the population around the concession are dominated in the Agricultural Sector, namely 80% of the population. In addition, the rest is to work as a trader and other areas. Based on field verification and interviews with Village Heads, community leaders, and employees of The Organization, all communities around the concession are local communities.

PT Sumatera Sylva Lestari already has a mechanism for resolving complaints, grievances and disputes related to community land tenure and working conditions. Based on the Report on Mapping Potential and Conflict Resolution, there is a case of land conflict with a palm oil plantation company. The conflict is included in more than 50% of the concession area. With such a large area, the conflict status at the PBPH level should be very critical. The Organization



has made a Legal Formal approach. Until this audit, the progress of the conflicts is still in the hands of the regional police. The claims itself had been reported to the police since last year and in the compilation of information from reporting entities and witnesses.

PT Sumatera Sylva Lestari Unit Padang Lawas has cooperated with the surrounding community. There is a notarial deed of handing over the benefits of livelihood plants to three villages village cooperative dated July 6, 2023. PT Sumatera Sylva Lestari has made efforts to build a forest-based local economy. Based on the 2023 Community Development (CD) Activity Report, the activities carried out include health sector, namely socialization assistance for Puskesmas activities and inauguration assistance for Puskesmas building, religious sector namely building material assistance for the village church and mosque, and economic sector namely aid for rice field plow tractor and hand tractors. The realization of the CD program in 2023 was 154% of the plans.

#### Description of the Ecological conditions of the concession

The Organization has carried out appropriate maintenance or improvement of forest resources and their contribution to the global carbon cycle. It establishes standard operating procedures in every area of sustainable forest management activities. The Organization has conducted positive climate practices in forest management activities including weather monitoring (temperature, CH and temperature), ambient air quality monitoring, identification of sources of greenhouse gas emissions and estimation of high carbon stock. The identified emission sources come from stationary source emissions, ambient air, fallout, moving source emissions, performed in February, 2023.

The Organization conducts land cover identification and periodically conducts aerial monitoring using fire towers, CCTV and drones as well as satellite image analysis. It did not convert natural forests into plantation forests above December 31, 2010. PT Sumatera Sylva Lestari Unit Padang Lawas conducts land preparation and planting in cultivated areas that are not included in non-forest ecosystems that are ecologically important.

PT Sumatera Sylva Lestari Unit Padang Lawas has carried out health maintenance of forest ecosystem vitality with the following measures:

- Created SOPs and Work Instruction to support the technical implementation of forest ecosystem management.
- Arrangement and maintenance of boundary stakes.
- Establish operational standards that support the maintenance of adequate genetic, species and structural diversity to improve the health and vitality of forests against adverse environmental factors and strengthen natural regulatory mechanisms,
- Set up nursery saplings nature which is used as a place for the development of seedlings extract saplings nature of the type of local for the enrichment of plant feed in the area of protected areas.
- Pest and disease monitoring with integrated pest and disease management system.
- Did not use fire for forest management practices.

PT Sumatera Sylva Lestari Unit Padang Lawas has carried out maintenance, conservation and appropriate improvement for biodiversity in forest ecosystems by identifying key species and their habitats and migration patterns. It was identified that there is a sun bear (*Helarctos malayanus*) based on the study of the existence of key species of PT Sumatera Sylva Lestari Unit Padang Lawas in 2023.

#### Results of the Public Consultation



Prior to the implementation of the Transition to IFCC ST 1001:2021 + Surveillance 2 Audit, PT ACube TIC Internasional has made a public announcement to stakeholders, including through the website [www.ajaindonesia.com](http://www.ajaindonesia.com) on May 22, 2024., through local mass media, and through letters to stakeholders related to organizations including government agencies in the field of Environment and forestry, local village governments, and non-governmental organizations. Before the implementation of the field audit, there were online media reports related to PT Sumatera Sylva Lestari Unit Padang Lawas, namely:

1. <https://www.beritamerdekaonline.com/2023/07/tidak-terima-kebunnya-di-rusak-perusahaan-pt-ssl-warga-desa-tebing-tinggi-siap-berikan-perlawanan/>
2. <https://www.beritasatu.com/network/medanbisnisdaily/185089/sengketa-lahan-karyawan-pt-anj-vs-pt-ssl-bentrok-di-padang-lawas-1-korban-luka-bacok-3-alat-berat-hangus-terbakar>

For both reports, the audit team has clarified to The Organization and to the village heads related to the news. Here is an explanation that can be delivered:

1. As for reported land conflicts between The Organization and the village community, the audit team conducted interviews with The Organization workers. The stated area is part of the concession area of The Organization which is the area of the claim. Based on field verification by The Organization's team, the condition of the area is a bush, so The Organization seeks to plant the area in accordance with the existing RKU and RKT. But, there was rejection from the surrounding community. It was clarified that PT Sumatera Sylva Lestari Unit Padang Lawas conducts land clearing activities in its concession area with a legal business license to use forest products. In this case, PT Sumatera Sylva Lestari Unit Padang Lawas only carries out its obligations as a valid license holder for forest areas and Annual Work Plans. As a license holder in forest areas issued by the Minister of Environment and Forestry, PT Sumatera Sylva Lestari Unit Padang Lawas is also obliged to maintain the area function for forestry plants such as acacia and eucalyptus.
2. The audit team has conducted interviews with The Organization's employees, and the head of the related village. According to The Organization staff, the land of dispute is part of the legal concession area of PT Sumatera Sylva Lestari Unit Padang Lawas but being planted by PT ANJ. There was an inspection between The Organization and PT ANJ witnessed by the Regency Environment and Forestry Service, and found that the area was PT Sumatera Sylva Lestari Unit Padang Lawas. PT ANJ, which initially stated that the land was its HGU area, has not been able to show the HGU decree at the location of the dispute. This case is now has entered the legal realm due to illegal land encroachment, people violence and assault.

Based on an interview with the head of village, PT ANJ once carried out community land acquisition in the administrative area of the village, but PT ANJ took land in excess of the amount they bought so that it entered the concession of PT Sumatera Sylva Lestari Padang Lawas. Currently, the land is in a status quo condition, there is no activity in the area.

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

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

Number	Non-Conformities	Corrective Action Performed	Closed Out Reviewed By Auditor at 2024
1	There were non-compliances found in the activity of timber harvesting from plantation forest, include:	– Ensuring the consistent use of microplanning maps to delineate skid trails, trash	The Organization has been consistent in taking corrective actions on wood harvesting activities. On the harvesting plan



	<ul style="list-style-type: none"> <li>- The skid trails are not depicted on the Harvesting Map,</li> <li>- Heavy equipment moves without a route, there were two tracks in proximity,</li> <li>- The bark used by the peeling activity is not evenly distributed,</li> <li>- The length measuring tool was not in accordance with the standards.</li> </ul> <p>Indicator I.4.4</p>	<ul style="list-style-type: none"> <li>paths, track equipment routes,</li> <li>- ensuring the use of ribbon stakes in the field for waste lanes and routes according to the instructions depicted on the micro map,</li> <li>- supervise and ensure the chainsaw operators use measuring sticks that comply with the standard length,</li> <li>- ensuring the operator performs bark routing after the debarking process,</li> <li>- carry out routing according to standards, thus, there is no piled up garbage and bark.</li> </ul>	<p>map Plot C 025 already depicted the skid trails, the tool moves according to the set extraction path, the instrument for measuring the length of timber is complied with the standard, garbage path has been made as the standard, the bark is spread evenly, and planting space is available well.</p>
<p><b>Findings on the certified client conformity with the certification requirements and description of critical issues in relation to the conformity.</b></p>			
<p>The result of Transition to IFCC ST 1001:2021 + Surveillance 2 Audit is no non-conformity.</p>			
<p><b>Conditions under which the certificate is issued</b></p>			
<p>Certificate number AJA/IFCC-PEFC/FMC-HT/00027/VIII/2016 is valid until 04/08/2025, provided that PT Sumatera Sylva Lestari Unit Padang Lawas maintains its Recertification schedule and does not have potential major non-conformities at the next Recertification.</p>			