

Public Report Sustainable Forest Management System

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CLIENT NAME: PT Rimba Peranap Indah

TOTAL HECTARES: 14,434 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 14,434 hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification

AUDIT START DATE: June 25, 2019

AUDIT END DATE: June 28, 2019

LEAD AUDITOR: R Sigit Pamungkas

AUDIT TEAM: Amin Kadeni

Abdul Salam

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

SIGNATURE:

SIGNATURE:

SIGNATURE:

MAJOR CARS : 0

MINOR CARS : 1

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
PT Rimba Peranap Indah	District of Peranap, Kelayang, and Lubuk Batu Jaya, Indragiri Hulu Regency and Ukui District, Pelalawan Regency, Riau Province – Republic of Indonesia	June 25 to 28, 2019
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 Rimba Peranap Indah obtained a concession permit based on the decree from the Minister of Forestry No: 598 / Kpts-II / 1996, dated: 16 September 1996, and based on the Decree of the Minister of Forestry Number: 1616 / Kpts-II / 2001, dated October 31, 2001, concerning the Determination of Working Areas of Industrial Forest Concession Rights in PT Rimba Peranap Indah the area was confirmed as 14,434 ha in Riau Province. There has been no conversion of natural forest to plantation forest after December 31, 2010, so the scope of IFCC certification was for an area of 14,434 ha.

PT. Rimba Peranap Indah has arranged the results in the Revised Work Plan for Timber Forest Product Utilization Business in Industrial Plantation Forest (Revised RKUPHHK-HTI) for the 10-year period from 2010 to 2019 period, which was approved by Forestry Minister Decree No: SK.28 / VI-BUHT / 2014, concerning: Approval of Revised Work Plan for Timber Forest Product Utilization Business in Industrial Plantation Forest for the 10-year period 2010-2019 on behalf of PT Rimba Peranap Indah in Riau Province. The short-term document is made in the Annual Work Plan (RKT) book. PT Rimba Peranap Indah's production in 2017/2018 did not meet the approved production plan. Even though the planned target was not achieved, similar plans were launched for the activities in 2018/2019.

PT Rimba Peranap Indah is located in Ukui District, Pelalawan Regency, and District of Peranap, Kelayang, and Lubuk Batu Jaya, Indragiri Hulu Regency, Riau Province with the geographic location between: 00° 20' to 00° 28' South and 101° 54 ' to 102° 5' East. It is included in Tesso Nilo Forest Group.

The spatial layout of PT Rimba Peranap Indah is as follows: Protected Area of 1,855.40 ha (12.85%), Area Ineffective for Production of 377.56 ha (2.62%), Staple Plant Area of 9871.64 ha (68.39%), Indigenous Plant Area of 1,010.00 ha (7.00%) and Livelihood Plant Area of 1,319.40 ha (9.14%).

The concession area has a dry land surface with Podsollic soil type. It has a topography that is mainly Flat (0-8% Slope) - 67.38%, and ramps (8-15% Slope) - 32.62% at an altitude of 54 to 144 meters above sea level. Climate Type A (Schmidt/Ferguson) with a rainfall of 2,596.4 mm / year.

The species cultivated are *Acacia mangium* and *Eucalyptus* sp.

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

The Management Unit has established a conflict resolution mechanism related to the rights of indigenous peoples based on customary law / local community property rights based on formal law and conflict resolution mechanisms.

The Management Unit has conducted an assessment of the social impacts of planned forest management activities, which can be found in the study report Analysis of Environmental Impacts. The areas covered in the document included enhancement of the economic welfare of the surrounding community and raising the general perception of the community in regard to the presence of the company and its operations by becoming a partner in their economic and social welfare.

In enhancing economic welfare, the company ensures the provision of job and business opportunities for members of the local community, offering training in agribusiness and cooperatives, as well as in livelihood plant partnership patterns. Community empowerment is also fostered through institutional strengthening by socializing the formation of cooperative institutions, forming community groups and entering into binding cooperation agreements.

Among the latter is the livelihood plants partnership agreement, under which PT. Rimba Peranap Indah will carry out the first cycle as a form of company exclusion in supporting the welfare of the community. Ensuing cycles are carried

out at 5% of the production tonnage realized of the current RKT (Annual Work Plan) per year.

There is also agreement on the collection of non-timber forest products (NTFP) for the benefit of the local community, which include fish, rattan and resin. Resin, for example, is collected by workers during breaks or when there are no field work activities.

For its part, the local community is obliged to help ensure the safety of living plants from incidents of encroachment and/or theft by third parties, plus is tasked with distributing the proceeds from livelihood plants and NTFPs among the local community. Moreover, they are prohibited from collaborating with other parties in regard to the livelihood plant program.

PT. Rimba Peranap Indah also conducts its CD/CSR program covering the areas of education, health, social and religious affairs, as well as assistance with the provision of community infrastructure. Planning of its 2019 program included:

Provision of computers for Shirotul Huda Islamic Boarding School Foundation.

Provision of medical equipment for maternal and child health center

Provision of Ramadan packages and other religious materials including copies of Al-qur'an and children's reading material, plus lamps and other mosque materials.

Provision of computer for village office as part of infrastructure requirements.

Description of the ecological conditions of the concession

The Management Unit of PT. Rimba Peranap Indah undertakes activities to minimize negative environmental impact of its operations, the results of which are reported to the requisite authorities on a periodic basis. Among the impacts monitored are various indicators relating to the health of the soil and the quality of air and water. These include physical and chemical measurement of soil and water properties, as well biological aspects.

The Management Unit has also identified and monitors non-timber forest products (NTFP) whose over-exploitation could have detrimental effects on the forest environment.

Wildlife monitoring is carried out by the method of encounter, whereby all employees of the rank of foreman or above record any occurrence of animal encounters in accordance with the company's standard procedures. Known fauna include traces of wild boar (*Sus Scrofa*), footprints of leopard cat (*Prionailurus bengalensis*), elephant feces (*Elephas maximus*) and the sound of hornbills (*Bucherus rhinoceros*).

Meanwhile, field verification in the riparian and KPPN areas reveals the presence of several types of vegetation: meranti (*Shorea sp.*), rattan (*Calamus sp.*), liana (*Tetrastigma sp.*), velevet tamarind (*Dialium sp.*), hog plum (*Spondias sp.*), forest durian (*Durio zibethinus*), cempedak (*Artocarpus champeden*). In addition, the protected plant species, the pitcher plant (*Nepenthes sp.*) is found on either side of the Limbat River bridge.

In carrying out forest protection activities, the Management Unit erects and maintains boundary markers and notice boards identifying protected areas and forbidding such actions as encroachment, logging activities, hunting, and the lighting of fires, etc. Care is also taken to protect the concession area from infestation by pests or diseases, seeking biological rather than chemical resolutions whenever possible. Nevertheless, the Management Unit does have standard procedures for the use, handling and storage of hazardous materials and their resultant waste (B3).

PT. Rimba Peranap Indah works closely with the law enforcement authorities in guarding the area from further encroachment and damage to the assets of the Management Unit. Security and patrol activities in the work area of the Management Unit are carried out in collaboration with a security services company. The Management Unit has established security posts at every strategic entry point and strict security is enforced on all those permitted to enter

the concession area, the reason for and details of their visit being carefully logged, while entry is only permitted after they have been fitted with the required safety equipment.

In addition to security posts, regular patrols are also carried out in order to enforce the regulations in regard to illegal logging, etc. and to safeguard from the outbreak of forest fires.

Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted a public consultation commencing June 14, 2019, requesting stakeholders to provide feedback and information about PT. Rimba Peranap Indah. The public consultation was uploaded to the website of PT AJA Sertifikasi Indonesia (www.ajaindonesia.com), sent to the parties via email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders as a result of the public consultation.

The audit team also gathered information from the mass media about PT. Rimba Peranap Indah, the reported cases being given material consideration as part of the audit process of PT AJA Sertifikasi Indonesia.

The Management Unit has identified all the requirements required for this certification process, comprising legal aspects that include compliance with international rules and rules and conventions. The management system has been built to cover all activities in the field of certification, which is registered for an area of 14,434 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 Recertification Audit of PT. Rimba Peranap Indah one (1) Minor Non-Conformity was identified.

No.	Non-conformity (NC)	Corrective Action to be Undertaken	Category
1	PT Rimba Peranap Indah could provide no evidence of submitting the 2018 report on the implementation of the maintenance and security of the work area boundaries to the Head of Balai Pemantapan Kawasan Hutan (BPKH). Clause Ref. I.1.14	PT Rimba Peranap Indah has continues to implement the maintenance and security of the work area boundaries, plus submitted the report to the Head of Balai Pemantapan Kawasan Hutan (BPKH).	Minor

Conditions under which the certificate is issued

Certificate is valid until September 5, 2022, provided PT. Rimba Peranap Indah 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 Surveillance visit. If the 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.