

Public Report Sustainable Forest Management System

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CLIENT NAME: PT RIMBA LAZUARDI

TOTAL HECTARES: 19,706.85 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 19,706.85 hectares of Plantation Forest in Riau Province

STANDARD / CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1 (REMOTE)

AUDIT START DATE: July 21, 2020

AUDIT END DATE: July 24, 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

AUDITOR LEAD: Riyadi Sigit Pamungkas

AUDIT TEAM: Ence Hedi Hasan Zubaedi

Warsito

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 Lazuardi	Lubuk Kembang Bungo Village, Ukui District, Pelalawan Regency; Pangkalan Village, Pucuk Rantau District, Kuantan Singingi Regency, Riau Province, Republic of Indonesia	July 21 to 24, 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. Rimba Lazuardi received a concession in accordance with the Decree of the Minister of Forestry Number: No. SK.79 / MENHUT-II / 2007 dated March 5, 2007. The location of its activities are in Pelalawan Regency, Indragiri Hulu and Kuantan Singingi, Riau Province. The location of the industrial plantation forest management work area in detail is as follows:

- Geographical location of Blok I is between 101° 44' 48" to 101° 47' 00" East and 0° 40' 26" to 0° 50' 00" South and Block II is between 101° 45' 00" to 102° 00' 00" East and 0° 15' 00" to 0° 25' 00" South
- Block Forest Group I : Sei Air Hitam
- Block Forest Group II : Sei Beringin

Administratively, the location of PT Rimba Lazuardi is located in the Government of Riau Province, Blok I is located in Regency of Pelalawan, Kuantan Singingi and Indragiri Hulu, and Blok II is in the Regency of Pelalawan, Ukui, District of Ukui, Peranap, and Kuantan Mudik.

Based on the Decree of the Minister of Environment and Forestry Number: SK.2257 / MenLHK-PHPL / KHP / HPL-1/4/2017 concerning First Addendum to the Letter of the Minister of Forestry No. SK.79 / Menhut-II / 2007 dated 5 March 2007 and Letter of the Director General of Forestry Planning and Environmental Management No. S.1247 / PKTL / KUH / PLA.2 / 11/2016 dated 22 November 2016, the area of the work area based on the results of the boundaries measurement becomes 19,706.85 ha (Block I is 10,992.58 ha and Block II is 8,714.27 ha). There was no conversion of natural forest to plantation forest after December 31, 2010, so the scope of IFCC certification is 19,706.85 ha.

Based on the RKUPHHK-HTI Period 2018 to 2027, the spatial layout of PT Rimba Lazuardi are Local Protected Areas and Other Protected Areas of 3,412.67 ha (17.32%), Staple Plant Area of 12,220.08 ha (62.01%), and Livelihood Plant Area of 4,074.10 ha (20.67%).

The land is dry soil (mineral) with flat topography (0-8%) covering an area of 67.38% and sloping land (8-15%) of 32.62% at a height of 54 to 144 meters above sea level. Podsolc soil types with rock types (geology) in the form of sediment and volcanism. The climate type A (Schmidt & Ferguson) with annual rainfall of 2,586.6 mm, the highest month being September and lowest in August. The rivers that are located in the working area are the Air Hitam River and Tembago River.

Types of plants cultivated are *Acacia* sp., *Eucalyptus* sp.

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

Administratively, the PT Rimba Lazuardi concession area is located in three (3) regencies (Indragiri Hulu, Kuantan Singingi and Pelalawan Regency), five (5) Districts (Batangperanap, Pucuk Rantau, Ukui, Peranap and Cerenti Districts) and with nine (9) villages.

Based on the AMDAL document and interviews with the public relation of PT Rimba Lazuardi and the local village heads, the information was obtained that there are no indigenous peoples in the PT Rimba Lazuardi concession area. The people who live are local people (ethnic Malay) and migrants from North Sumatra, Medan, Minang, etc.

During the Surveillance 1 Audit, it was found that there was no additional collaboration on livelihood plants with the surrounding community. Based on the previous audit, there was an agreement between the management of PT Rimba Lazuardi and the surrounding village community, as stated in a formal legal document, that allows for the utilization of land for the development of livelihood plants within the concession area.

The Management Unit of PT Rimba Lazuardi has provided access to the community to Non-Timber Forest Products

(HHBK) in the form of fishing in the Air Hitam River within the concession.

There are documents on the plan and realization of the CD program in 2019, and 2020 for the period January to June. The realization of the CD program in 2020 for the period January to June was in the form of activities: assistance for mosque shelves and trellis fence materials, assistance for goats and youth activities. Meanwhile, the realization in 2019 was in the form of: refurbishing elementary and kindergartens, mass circumcision, assistance for cultivating guava, sports infrastructure, renovating the *posyandu* building, and Ramadan packages.

Description of the ecological conditions of the concession

PT Rimba Lazuardi has identified forest management activities with significant impacts, and conducted an environmental impact assessment, through:

Report of the Management Unit forest management activities that impact on the physical and biological environment including the condition of biodiversity, protected flora and fauna, and physical and chemical conditions of soil and river water. Environmental monitoring documents in the form of RKL and RPL, in which the physical, chemical and biological environmental impacts of plantation forest management are discussed, are sent to the Head of the Riau Province Forestry Service every six months. The report format refers to the Decree of the State Minister for the Environment No.45 of 2005, dated April 5, 2005.

Based on the results of field verification with videos and photos, the Management Unit has carried out several activities to anticipate the significant impacts resulting from Sustainable Forest Management activities on several environmental aspects, namely:

- Soil Monitoring (measuring erosion, fertility and soil density) located in production and protected areas.
- Water Monitoring (measurement of river water quality and water discharge) located in the Limbat River.
- Monitoring the Plantation Forest (fertilizing, spraying pesticides, attacking pests and plant diseases) which is located in the production area.
- Protected Area Monitoring (vegetation analysis route, animal inventory, vegetation monitoring) located in the Riparian Areas and KPPN.

PT Rimba Lazuardi has identified the areas that function for land protection. From the results of verification and field observations, several areas have been designated as protected areas, namely the Riparian Areas and the Buffer Zone. These protected areas function as land protection areas, as well as water protection areas, wildlife, vegetation and their ecosystems. These areas are:

- Block I Protected area of 1,566.50 ha, consisting of: Riparian Area of 1,487.50 ha; Ggermplasm Conservation Area (KPPN) of 79 ha.
- Block II Protected area of 1,846.17 ha consisting of: Riparian Areas of 1,257.45 ha, Germplasm Conservation Area of 92 ha and Buffer Zone of Tesso Nilo National Park of 496.72 ha.

Wildlife monitoring is carried out using the encounter method, involving all employees with a minimum position of foreman to record every occurrence of encounters with animals in accordance with the company's standard procedures and several protected animals are still visible in the company's concession area, showing that the impact of the company's activities are still within the tolerance limit for animal habitat.

Several important and protected species are still found in the protected area of PT. Rimba Lazuardi, which indicates the effectiveness of riparian and other protected areas as animal pockets and a source of animal feed. In the document of the study on the existence of key species of PT. Rimba Lazuardi stated that based on the results of fauna monitoring for 2015-2017, two protected / rare / endangered fauna species are identified, namely the Sumatran elephant (*Elephas maximus sumtranus*) and the Sumatran tiger (*Panthera tigris*).

PT Rimba Lazuardi already has a fire hazard control program with intensive supervision from the fire fighting team,

supported by adequate fire fighting equipment and carrying out routine patrol activities throughout the concession area to anticipate fires. The installation of fire hazard warning boards is also carried out regularly to raise awareness of the dangers of forest and land fires. The handling of fires that occur is controlled by deploying a core team of fire fighters with adequate money and the deployment of most of the employees who have attended training in forest fire fighting and resistance

PT Rimba Lazuardi has built Security Posts at every strategic entry point of the Management Unit area. Security officers are very strict with those wishing to enter and before the entrance portal opens, guests will be checked for identity, destination, parties to meet and time. Guests are also required to fill in the guest list and sign when entering and leaving the Management Unit area. Apart from the Security Posts, security activities are also carried out by Patrol Activities in the entire work area, including Illegal Logging Patrols and Forest Fire Patrols.

Results of the Public Consultation

Prior to undertaking the Surveillance 1 Audit, PT AJA Sertifikasi Indonesia conducted a Public Consultation commencing July 9, 2020, asking stakeholders to provide feedback and information about PT Rimba Lazuardi. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to parties by email or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from the public consultation.

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

The Management Unit has identified all the necessary requirements for this certification process, consisting of legal aspects that include compliance with international rules and regulations and conventions. A management system has been established to cover all activities in the area of certification, which is registered for an area covering 19,706.85 hectares.

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

During remote Surveillance 1 Audit of PT. Rimba Lazuardi, there was one (1) Minor Non-Conformity identified.

No	Non-conformity (NC)	Corrective Action to be Undertaken	Category
1	There was an infraction related to the field of safety. Based on photo documentation dated July 22, 2020, the workers did not use safety shoes in the field when carrying out APAB and APAR training for oil technician in 2020 as required in the PPE SOP and HIRADC documents, plus also the Government Decree concerning the mandatory use of masks was not observed. Clause Ref. II12.4	PT Rimba Lazuardi has made rules for the protocol for preventing and handling Covid 19 for employees and contractors, as well as PPE equipment for carrying out operational activities.	Minor



Conditions under which the certificate is issued

Certificate is valid until September 13, 2022, provided that PT Rimba Lazuardi 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.