

# Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT SUMATERA SYLVA LESTARI UNIT PASIR PANGARAIAN

TOTAL HECTARES: 9,140

SCOPE OF REGISTRATION: Sustainable Forest Management of 9,140 hectares of Plantation Forest in Riau Province

STANDARDS/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

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

AUDIT START DATE: February 20, 2024  
 AUDIT END DATE: February 22, 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

SIGNATURE:

AUDIT TEAM: Inggita Nuri Prihantini

SIGNATURE:

Tata Sumitra

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 1

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATIONS SITES VISITED including countries	DATE OF EACH SITE VISIT:
Head office	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru, 28143, Riau Province, Indonesia	February 20, 2024
Site	Pasir Pangaraian - Kecamatan Rambah Hilir, Kecamatan Tambusai, Kecamatan Bangun Purba, Kabupaten Rokan Hulu, Propinsi Riau, Indonesia	February 21 to 22, 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	
N/A		



#### Brief Description of the concession

The Organization received its initial forest management permit based on the Decree Minister of Forestry Number 82/Kpts-II/2001 concerning the Granting of Timber Plantation Forest Concession Rights to PT Sumatera Sylva Lestari over a forest area of approximately 42,530 Ha (Forty-Two Thousand Five Hundred and Thirty) hectares, in the province of North Sumatra and the Province of Riau on 15 March 2001 for 43 years. In 2021, it received SK PBPH (Forest Utilization Business Licensing), namely Decree of the Minister of Environment and Forestry Number: SK.1490/MenLHK/SETJEN/HPL.0/12/2021 dated 31 December 2021. There was a change in nomenclature from IUPHHK-HTI to PBPH (Forest Utilization Business Permit). The working area of PT Sumatera Sylva Lestari Unit Pasir Pangaraian remains 9,140 Ha.

In operational implementation, the Organization has a Forest Utilization Business Work Plan (RKUPH) document which was approved based on the Decree of the Minister of Environment and Forestry Number: SK.10087/MenLHK-PHL/PUPH/HPL.1/12/2022 dated 23 December 2022 concerning the Approval of the Work Plan Forest Utilization Business (RKUPH) for 2023 to 2032. There was no conversion of natural forest to plantation forest after 31 December 2010. The entire work area is being certified by IFCC. The spatial planning of the work area is Protected Area of 883 ha (9.66%) and a Cultivation Area of 8,257 ha (90.34%) consisting of Utilization of Timber Forest Products of Plantation Forest of 5,953 ha (65.13%), other areas (gardens, shrubs, shrubs) of 2,031 ha (22.22 %) and infrastructure area of 273 ha (2.99%).

Administratively, PT Sumatera Sylva Lestari Unit Pasir Pangaraian is included in the Tambusai District, Rambah Hilir District and Bangun Purba District, Rokan Hulu Regency, Riau Province. PT Sumatera Sylva Lestari is geographically located at 00°56' to 01°02' North and 100°08' to 100°17' East. The boundaries of the work area are as follows:

- To the west with PT Damai Nusa Sekawan Plantation, PTP V, Bangun Purba Barat Village,
- To the east with the Border Village, Rambah Village,
- To the north with Sei Kumango Village and
- To the south with Tangun Village, Pasir Intan Village, Rambah Jaya Village, Pasir Jaya Village.

PT Sumatera Sylva Lestari Unit Pasir Pangaraian is included in the Forest Group of Sei Geringging. The land condition is dry/mineral with flat topography (0-8%). It is located at altitude of 70-90 m above sea level. The soil type is Red and Yellow Podsolid and the geology is formed by Telisa and Petani Formations. The climate here is type A (Schmid & Ferguson) with rainfall 1,830 mm/year. The hydrology is Sosopan River, Sipatak River, and Barliampan River. The plant species developed for cultivation are *Eucalyptus* sp. and *Acacia crassicarpa*.

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

The community around the concession is a local community. There are no customary law communities. Based on the Social Impact Assessment Report of 2023, there are 9 villages located around the company concession, covering 3 districts, namely Rambah Hilir, Tambusai and Bangun Purba, Rokan Hulu Regency. The villages around the work area originate from the main village with a Malay and Mandailing ethnic cultural background. Furthermore, the livelihoods of residents are dominated by farmers cultivating oil palm, rubber and farming. Apart from that, residents also farm food crops in the form of rice in swamps, as well as secondary crops, especially peanuts and corn. Meanwhile, livestock activities consist of buffalo, cows and goats, which are generally kept wild in grasslands and oil palm plantations

Based on data and field verification as well as interviews with Public Relations of the company, there are conflict handling and conflict resolution procedures. There is Report of Potential Mapping and Conflict Resolution of PT Sumatera Sylva Lestari in Rokan Hulu Regency and Padang Lawas Regency, Riau and North Sumatra Provinces, December 2023. Based on the results of the conflict mapping of PT Sumatera Sylva Lestari Estate Pasir Pangaraian, the potential conflict status



is 52.76% or conflict status is included in the ALERT/MEDIUM category (52% - 68%). There is a Map of Indicative of encroachment and claims in the PT Sumatera Sylva Lestari. There is remaining conflict land in 2024 (February) still in the process of resolution. The efforts made to resolve conflicts include Forest Cultivation Cooperation Agreement, joint Agreement of Community with Fire Awareness (MPA) and utilization of NTPFs and maintenance of concession boundaries.

PT Sumatera Sylva Lestari has provided adequate support for the empowerment of the surrounding community. In 2023, the support include honorary and religious teacher fees, national and religious holiday fund, traditional event fund, repairs to houses of worship, etc. While the CSR program such repairing village office facilities, building mosques, providing breeding cattle, involvement of workers and so on as well as providing sharing of the results of cooperation with livelihood plants.

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

PT Sumatera Sylva Lestari Unit Pasir Pangaraian has the document of Environmental Evaluation Document by the Decree of the Head of the Riau Province Environmental and Forestry Service No. KPts.188/PPLHK/3125, dated 26 October 2020. It has identified areas that function to protect land and water by allocating Protected Areas of 883 ha (9.66%) consisting of River Borders of 552 ha (6.04%) and KPPN of 220 ha (2.41%) and Other Protected Areas of 111 ha (1.21%). The Organization has reported environmental management and monitoring once every 6 months to the authorized government agency in the form of an Environmental Permit Implementation Report for Semesters 1 and 2 of 2022.

The Organization has performed inventory of plant species in the KPPN area and river borders that can function as wildlife habitat. It also carried out protected area rehabilitation activities in with the species of kelat (*Syzygium sp*), matoa (*Pometia pinnata*), jelutung (*Dyera costulata*), rambutan (*Nephelium lappaceum*), etc. The Organization did not use genetically modified trees as the species it plants, both planted in production areas and in other protected areas. The use of introduced species (inserting species from outside), in this case the *Acacia crassicarpa* and *Eucalyptus sp.* species, has gone through studies and the species have been approved by the Indonesian Ministry of Forestry.

The company has adequate infrastructure for handling forest disturbances including a documentation system, such as Integrated Pests and Diseases, prohibition of livestock grazing, carry out efforts to protect forests against encroachment and illegal logging. In managing B3 waste, PT Sumatera Sylva Lestari has obtained a Temporary Storage Permit for Hazardous and Toxic Waste from the Regent of Rokan Hulu in 2019. The types of B3 Waste used include pesticides, herbicides, etc.

#### **Results of the Public Consultation**

Prior to carrying out the Transition to IFCC ST 1001:2021 + Surveillance 2 Audit, PT Acube TIC International conducted a public consultation starting January 15, 2024, asking stakeholders to provide feedback and information about the PT Sumatera Sylva Lestari Unit Pasir Pangaraian. The public consultation was uploaded to the PT Acube TIC International website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to parties by e-mail or postal mail, and published in local newspapers. PT Acube TIC International does not receive any input from stakeholders during public consultations.

The audit team also collected information from the mass media about the PT Sumatera Sylva Lestari Unit Pasir Pangaraian. The reported cases are considered as part of the PT Acube TIC International audit process.

The Organization 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, registered for a total of 9,140 hectares.

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



The results of Surveillance 1 Audit were no non-conformities. The management system operates effectively.

#### 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.

No.	Non-Conformities	Corrective Action Performed	Categor ies
1	The Organization has Risk Management, but its coverage is still limited. Risks to OHS and risks to the environment are not yet covered comprehensively to achieve Organizational goals.  <b>Clause 5.1.1</b>	The Organization has improved Risk Management, which includes the goal of achieving production targets. Parameters that influence production targets have been included in Risk Management. They will periodically identify and compile Risk Management from each department whose scope is to achieve production targets or Organizational goals.	Minor

#### Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00003/IV/2015 is valid until April 13, 2025, provided that PT Sumatera Sylva Lestari Unit Pasir Pangaraian 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.