

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT SUMATERA SYLVA LESTARI UNIT PASIR PENGARAIAN

TOTAL HECTARES: 9,140

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

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification

AUDIT START DATE: 24 February 2025

AUDIT END DATE: 26 February 2025

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

SIGNATURE:

AUDIT TEAM: Andri Wibisono



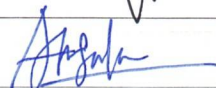
SIGNATURE:

Abdul Salam

SIGNATURE:

WITNESSING EVALUATOR/TRANSLATOR (if any): //

SIGNATURE: //




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MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION 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	24 February 2025
Site	Pasir Pengaraian - Kecamatan Rambah Hilir, Kecamatan Tambusai, Kecamatan Bangun Purba, Kabupaten Rokan Hulu, Propinsi Riau, Indonesia	25 – 26 February 2025
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 obtained a forest management permit based on the Decree of the Minister of Forestry Number 82/Kpts-II/2001, which grants Timber Plantation Forest Business Rights to PT Sumatera Sylva Lestari over a forest area of approximately 42,530 hectares (forty-two thousand five hundred thirty hectares) in the provinces of North Sumatra and Riau. This permit was issued on March 15, 2001, and is valid for 43 years.

In 2021, PT Sumatera Sylva Lestari received a Forest Utilization Business Permit (PBPH) under the Decree of the Minister of Environment and Forestry Number: SK.1490/MenLHK/SETJEN/HPL.0/12/2021, dated December 31, 2021. This marked a change in nomenclature from IUPHHK-HTI to PBPH. The working area of PT Sumatera Sylva Lestari Unit Pasir Pengaraian is 9,140 hectares. Additionally, the organization has a Forest Utilization Business Work Plan (RKUPH), 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 December 23, 2022. This approval pertains to the period 2023-2032 and covers the North Sumatra and Riau Provinces.

There has been no conversion of natural forest into plantation forest after December 31, 2010. The area covered by the permit is 9,140 hectares, which includes 9,140 hectares of forest area and 9,140 hectares of certified area. PT Sumatera Sylva Lestari Unit Pasir Pengaraian is located between the geographic coordinates 00°56' - 01°02' North and 100°08' - 100°17' East. The estate primarily consists of a plantation with natural forest areas, and the soil type in this area is mineral.

The Organization has a long-term management plan called the Industrial Plantation Forest Timber Product Utilization Business Work Plan (RKUPHHK-HTI) for the period 2023-2032. This plan, legalized by the Decree of the Minister of Forestry SK Number: SK.10087/MenLHK-PHL/PUPH/HPL.1/12/2022, dated December 23, 2022, covers PT Sumatera Sylva Lestari in North Sumatra and Riau Provinces. The spatial planning of the PT Sumatera Sylva Lestari Unit Pasir Pengaraian consists of a Protected Area of 883 hectares (9.66%), including River Borders (552 hectares, 6.04%), KPPN (220 hectares, 2.41%), and Other Protected Areas (111 hectares, 1.21%). The Cultivation Area spans 8,257 hectares (90.34%), which includes the Utilization of Timber Forest Products Plantation Forest (5,953 hectares, 65.13%), other areas like gardens and shrubs (2,031 hectares, 22.22%), and infrastructure (273 hectares, 2.99%).

To the west of the work area is the PT Damai Nusa Sekawan Plantation, PTP V, West Bangun Purba Village. To the east, it borders Batas Village and Rambah Village. To the north, it is adjacent to Sei Kumango Village, and to the south, it borders Tangun Village, Pasir Intan Village, Rambah Jaya Village, and Pasir Jaya Village. Administratively, the concession is part of Tambusai District, Rambah Hilir District, and Bangun Purba District in the Rokan Hulu Regency, Riau Province. The concession boundaries are marked by oil palm plantations and community gardens.

PT Sumatera Sylva Lestari Unit Pasir Pengaraian is classified under the Forest Group of Sei Geringging, with dry land and mineral conditions. The topography is flat (0-8%), with an altitude of 70-90 meters above sea level. The soil type is Red Yellow Podsol, and the geology consists of Telisa and Petani Formations. The climate is type A (Schmid & Ferguson), with annual rainfall of 1,830 mm. The highest rainfall occurs in November, while the lowest is in July. Hydrologically, the estate is drained by the Sosopan, Sipatak, and Barliampan Rivers, with a reservoir or dam covering 26.5 hectares. The plant species developed in the cultivation area include *Eucalyptus* sp. and *Acacia crassicarpa*.

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

The community around PT Sumatera Sylva Lestari Unit Pasir Pengaraian consists of both local Malay people and immigrant groups, including the Batak, Javanese, and Nias tribes. There are no indigenous communities living in or around the company's area. A field visit to a village shows that the majority of the people in this area are Malay. In

contrast, in two other villages are home to immigrant communities who moved from Java through the government's transmigration program. The local community members are primarily engaged in oil palm farming, farm labor, working for oil palm companies, and running small businesses to support their livelihoods.

PT Sumatera Sylva Lestari has a comprehensive Corporate Social Responsibility (CSR) program that focuses on several sectors to support the local community. These sectors include Education, Health, Religion, Economy, Infrastructure & Facilities, and Social & Environmental development. The company provides various forms of assistance to the community, which are typically requested through proposals. These proposals are submitted by the villagers and are reviewed and approved by the Village Head before any support is provided. The company aims to meet the needs of the local population by supporting community-driven initiatives.

In addition to assistance through formal proposals, the company also responds to more urgent needs communicated verbally, particularly when there is a pressing issue. For example, when the local roads need repair, the company can assist by providing heavy equipment to help with the repairs. This assistance is typically managed through the company's Public Relations team, ensuring that the community's most immediate needs are addressed quickly. Through these efforts, PT Sumatera Sylva Lestari works to improve the living conditions of the communities around their estate.

Description of the Ecological conditions of the concession

PT Sumatera Sylva Lestari Unit Pasir Pengaraian has an Environmental Evaluation Document and an Environmental Permit for its activities in Rokan Hulu Regency, Riau Province. The Organization is required to manage and monitor the environment according to this permit, which includes overseeing physical and chemical aspects such as climate change, soil fertility, and water quality. Biological aspects like natural vegetation, wildlife, and plant pests are also monitored, along with socio-economic factors like health, job safety, community education, and the economy.

To protect the environment, The Organization has allocated 883 hectares (9.66%) of its area as a protected zone, which includes river borders and other conservation areas. The primary goal of this protected area is to prevent environmental damage, such as erosion, and to ensure the long-term sustainability of forest resources, both plants and animals. This is part of SSL's commitment to responsible forest management.

The Organization submits an Environmental Permit Implementation Report every six months to the relevant authorities to ensure compliance with environmental regulations. The company also manages hazardous waste, such as pesticides, herbicides, fungicides, and oil waste, in accordance with regulations. In 2019, The Organization obtained a temporary storage permit for hazardous waste, and the company has proper storage facilities to handle these materials safely.

The company does not use genetically modified trees in its operations. Instead, The Organization has received approval from the Ministry of Forestry to plant non-native species, such as *Acacia crassicarpa* and *Eucalyptus pellita*, after conducting necessary studies. These species have been deemed suitable for the areas where they are planted, ensuring minimal impact on the local ecosystem.

The Organization has established forest protection measures to prevent encroachment and illegal logging. These include community outreach programs, fire monitoring, and the installation of warning signs. Additionally, the company carries out regular patrols and works with local authorities to address any fire incidents, ensuring the forest and its resources are effectively protected.

Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT Acube TIC International conducted a public consultation starting January 16, 2025, asking stakeholders to provide feedback and information about the PT Sumatera Sylva Lestari Unit Pasir Pengaraian. The public consultation was uploaded to the PT Acube TIC International website (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 Pengaraian. The reported cases are considered as part of 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 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 at 2024	Close Out at Recertification Audit 2025
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. Clause 5.1.1	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.	The Organization has made improvements by revising the Risk Management document (Revised March 20, 2024) and has identified sources of risk that affect the objectives of sustainable forest management, not only limited to environmental and OHS aspects.

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

The result of the Recertification Audit was no non-conformity.

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00003/IV/2015 is valid until April 13, 2028, provided that PT Sumatera Sylva Lestari Unit Pasir Pengaraian maintains its Surveillance schedule and does not have potential major non-conformities at the next Surveillance.