

Public Report Sustainable Forest Management System

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CLIENT NAME: PT BINA DAYA BINTARA

TOTAL HECTARES: 7,550

SCOPE OF REGISTRATION: Sustainable Forest Management of 7,550 hectares of Plantation Forests in Riau Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification

AUDIT START DATE: July 26, 2022

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

AUDIT END DATE: July 28, 2022

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Ence Hedi Hasan Zubaedi

SIGNATURE:

AUDITOR UNDER SUPERVISION: Agung Utama Lubis

SIGNATURE:

SUPERVISOR: R. Sigit Pamungkas

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
Head Office	Jl. Dr. Sutomo No 62, Pekanbaru, 28141, Provinsi Riau, Indonesia	July 26, 2022
M.U	Libo - Kecamatan Minas, Kabupaten Siak, Provinsi Riau, Indonesia	July 27 to 28, 2022
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 Bina Daya Bintara obtained a concession permit based on the Decree of the Minister of Forestry Number SK.02/IUPHHK/I/2003 dated January 18, 2003. The latest decree is the Decree of the Minister of Forestry Number SK.64/Menhut-II/2007 dated February 23, 2007 with an area of 7,550 Ha. There is no plantation forest area developed from the conversion of natural forest after 31 December 2010, thus, the IFCC certified area is 7,550 Ha.

PT Bina Daya Bintara has a ten-year planning document based on the Revised RKUPHHK-HTI for the period of 2017 to 2026 (SK MenLHK No. 6050/menLHK-PHPL/UHP/HPL.1/6/2019, approved on June 28, 2019). The spatial planning consists of Local Protected Areas and Other Protected Areas of 2,988 ha (39.58%), Staple Plant area of 3,991 ha (52.86%) and Livelihood Plant area of 571 ha (7.56%).

Geographically the location of the work area is at 01°01'51.0" to 01°13'28.0" North and 100°53'51.0" to 100°59'33.0" East. The boundaries of the working area are PT Rimba Rokan Perkasa to the east, PT Bina Daya Bentala to the west, PT Balai Kayang Mandiri to the south, and State Forests to the north. Administratively, it is in Minas District, Siak Regency, Riau Province. The topography of the work area is flat with climate type of A. It is located at an altitude of 10 to 26 meters above sea level. The type of soil is Hitosol (Hemic Organic, Organic Sapik) with geology formation of Young Alluvium and Minas. The forest group is Sei Rangau and crossed by Sei Rangau River. According to the site condition, the species being developed is *Acacia crassicarpa*.

The Management Unit has implemented legislation to improve peat governance, namely PP 57 of 2016 and PermenLHK no.P.17/Menlhk/Setjen/Kum.1/2/2017 by the following activities:

- Compiling RKUPHHK-HTI ratified by SK 1010/MenLHK –PHPL/UHP/HPL.1/3/2018 dated March 5, 2018,
- Compiling a Peat Ecosystem Recovery Plan, Determination of Groundwater Level Monitoring Points and Rainfall Monitoring Station Point of PT Bina Daya Bintara, which was approved by the Decree of the Director General of Pollution and Environmental Damage Control Number 126/PPKL/PKG/PKL.0/11/2018 dated November 29, 2018,
- Preparing adjustments revision to RKUPHHK-HTI 2017 to 2026 through Decree of the Minister of Environment and Forestry of the Republic of Indonesia SK. 6050/MenLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019).
- Identified Peat Dome Peak of 2,834 Ha which spread over River Border of 732 Ha, KPPN of 18 Ha, KPSL of 65 Ha and former livelihood plant area of 2,019 Ha.

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

The communities around the concessions are local people, there are no customary law communities around the concessions. According to RKUPHHK-HTI and interview with the village government staff, the livelihoods of residents around the concession are dominated by livelihoods in the agricultural sector. The remaining are in the trade sector.

PT Bina Daya Bintara has made efforts to resolve conflicts with the surrounding community. According to the village heads, the company and the community have intensively discussed about some residents who still claims the land in the concession for the past two years. This is caused by the land tenure custom which had been implemented long before the company obtained a concession permit from the Ministry of Forestry. This issue was discovered when the company was carrying out concession boundary demarcation.

PT Bina Daya Bintara has a cooperation agreement in livelihood plant agreement by providing a timber fee to the village community. This is one of the efforts to resolve conflicts between the company and the community. There are local contractor partners and contractor workers who come from surrounding villages. The implementation of the Corporate Social Responsibility (CSR) program in 2022 has been realized for 40% of the planned. The CSR activities carried out include the assistance for kindergarten playground equipment, *posyandu* equipment, renovation of places

of worship, assistance for honey-bee and chicken cultivation, village office facilities, youth activities, and sports activities.

Description of the Ecological conditions of the concession

The Management Unit has carried out forest ecosystem and hydrological function management through identification of forest management activities that have an important impact, and carried out environmental impact assessments. The identification and assessment were performed through implementation of AMDAL activities and RKL and RPL of PT Bina Daya Bintara in 2003. The management is regularly implemented through environmental management and monitoring every semester of the year, which is presented in the report on the Implementation of Environmental Permits (RPL/RKL).

The Management Unit performs Reduced Impact Logging before, during and after logging activities to prevent damages to the soil and environment. Soil and water protection is being implemented by allocating Local Protected Areas and Other Protected Areas consisting of River Border of 759 ha (10.05%), KPPN of 140 ha (1.86%), KPSL of 70 ha and Peat Dome Peak of 2,019 ha (26.74%).

Monitoring the negative impacts of forest management activities in the concession area is carried out in accordance with the RKL and RPL ANDAL Documents. PT Bina Daya Bintara, 2003. The Management Unit has documented procedures that serve as guidelines for monitoring the negative impacts of forest management activities, such as SOPs for Monitoring Protected Areas, SOPs for Monitoring Discharge and Water Quality and SOPs for Monitoring Soil Density and Erosion. The Management Unit as well has documented procedure for the controlled use of B3 (Hazardous and Toxic Materials), namely SOP for Management of Hazardous and Toxic Waste (B3), SOP for Handling Spilled Fuel, Lubricants and Chemicals, SOP for Weed Control, and SOP for Integrated Pest and Disease Management.

The Management Unit has carried out biodiversity management through identification and inventory of protected, endemic, rare and threatened/near-extinct flora and fauna. The results of the identification and inventory are reported in the Environmental Permit Implementation Report (Implementation of RKL/RPL semesters 1 and 2 of 2021). The staple plant species cultivated at PT Bina Daya Bintara are not genetically modified tree species but *Acacia crassicarpa*.

Forest protection activities objects to identify and monitor disturbances in Sustainable Forest Management. The disturbance is for example pest attacks and chemical spill. The Management Unit has SOP for Integrated Pest and Disease Management and SOPs for Weed Control. As well as SOP for Handling Spills of Fuel, Lubricants and Chemicals and SOP for Management of Hazardous and Toxic Waste (B3).

Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted a Public Consultation commencing June 22, 2022, asking stakeholders to provide feedback and information about PT Bina Daya Bintara. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to parties via e-mail or postal mail, and published in local newspapers. PT AJA Sertifikasi Indonesia did not receive any input from stakeholders during the public consultations.

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

The Management Unit has identified all the requirements needed for this certification process, consisting of legal aspects that include compliance with rules and regulations, and international conventions. The management system has been established to cover all activities in the certification field, which is registered for an area of 7,550 hectares.

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



The result of Recertification Audit in PT Bina Daya Bintara is no non-conformity. The Management Unit operates effectively.

Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00032/XII/2016 is valid until December 26, 2025, provided that PT Bina Daya Bintara maintains its Surveillance schedule and does not have potential major non-conformities at the next Surveillance.