

Public Report Sustainable Forest Management System

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PUBLIC AUDIT REPORT – SFM

TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: CV PUTRI LINDUNG BULAN

TOTAL HECTARES: 2,500

SCOPE OF REGISTRATION: Sustainable Forest Management of 2,500 hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: RECERTIFICATION

AUDIT START DATE: October 07, 2019

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: October 09, 2019

LEAD AUDITOR: Andri Wibisono

SIGNATURE:

[Handwritten Signature]

AUDIT TEAM: Riyadi Sigit Pamungkas

SIGNATURE:

[Handwritten Signature]

Warsito

SIGNATURE:

[Handwritten Signature]

MAJOR CARS: 0

MINOR CARS: 3

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Sei Lanjut	Ukui District, Pelalawan Regency, Riau Province, Republic of Indonesia	October 07 to 09, 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	
NA		

Brief Description of the concession

CV Putri Lindung Bulan received IUPHHK-HTI based on Pelalawan District Head Decree Number: 522.21 / IUPHHKHT / I / 2003/005 dated January 25, 2003 concerning Granting of Business Permit for Timber Forest Product Utilization in Plantation Forest to CV Putri Lindung Bulan of ± 2,500 hectares in Pelalawan Regency.

Management Unit has RKUPHHK-HTI of Decree of the Minister of Forestry Number SK.139 / VI-BPHT / 2010 dated October 14, 2010 concerning Approval of Business Plan for Timber Forest Product Utilization in Plantation Forest (RKUPHHK-HTI) for a period of 10 (ten) years of 2010 to 2019 on behalf of CV Putri Lindung Bulan In Riau province.

The spatial arrangement of the work area of CV Putri Lindung Bulan is as follows: Protected Area of 970 ha (38.80%), Infrastructure and Facilities of 48 ha (1.92%), Staple Plants of 1,096 ha (43.84%), Indigenous Plants of 250 ha (10.00%) and Livelihood Plant of 136 ha (5.44%), with a total area of 2,500 ha (100%). There was no conversion of natural forest to plantations above December 31, 2010 so the scope of IFCC certified area is 2,500 ha.

Geographically, CV Putri Lindung Bulan Management Unit is located between 00 ° 18 '6 " to 00 ° 20' 29" North and 101 ° 58 '34 "to 102 ° 0 '30" East. The work area is located in the administrative district of Ukui District, Pelalawan Regency, Riau Province. The CV Putri Lindung Bulan concession position is surrounded by companies around:

- North side: Tesso Nillo National Park
- Southern side: HTI of PT Rimba Lazuardi
- East: HTI of PT Rimba Peranap Indah
- West side: HTI of PT Rimba Lazuardi

The concession is surrounded by the IUPHHK-HT concession and Tesso Nillo National Park. There were no cultural or religious sites found within the concession area, because the access of the surrounding community was closed so that no community activities were found within the concession.

The Management Unit area is included in the Air Hitam River Forest group, with flat topographic area (0 - 8%) at an altitude of 10 to 30 m above sea level. According to the Soil Unit and Pekanbaru Land Map Sheet (0816) Sumatra Scale 1: 250 000 1988 (Puslitanah) soil types are included in alluvial soil types and fine-grained tefra. Geological Formation Geological Map Sheet Pekanbaru based on Scale 1: 250,000 (Bandung Geology Research Center, 1982) consists of BKN and MBI formations. It has a climate type: A with 2,236 mm / year of rainfall, the highest rainfall occur in December and the lowest in February.

The types of plants cultivated in the Management Unit area are *Acacia mangium* and *Eucalyptus* sp..

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

Administratively, CV. Putri Lindung Bulan is included in the administration area of Bagan Limau and Lubuk Kembang Bungo Villages, Ukui District, Pelalawan Regency, Riau Province. The Management Unit has a document on the Business Permit for Timber Forest Product Utilization in Plantation Forest (RKUPHHK-HTI) on behalf of CV Putri Lindung Bulan for the period of 2010 to 2019. In the document of RKUPHHK-HTI has included the livelihood plants agreement and development which realized in the villages.

Based on environmental documents (UKL/UPL), it is stated that there are no indigenous people and tribe whose in accordance with the requirements of the legislation. The people who live around the concession are local community, namely the majority of Malays and a small number of migrants from Java Island, North Sumatra and Nias Island.

In forest management, the company has cooperated with the community in the form of livelihood plant cooperation and the formation of the Fire Aware Community (MPA), namely:

CV Putri Lindung Bulan Management Unit has a conflict resolution mechanism in the form of a Conflict Resolution

Protocol. Based on the examination of operational maps and interviews with management and the Village Heads of, in the CV Putri Lindung Bulan concession there were no areas claimed by the community. This is due to the concession area that is surrounded by HTI and Tesso Nillo National Park and thus public access is quite difficult.

There are plans for the 2019 CD program in the form of religious, environmental and social and environmental assistance. Based on the report on the realization of the CD program in 2019 for the period of January to September, the realization of the budget in the form of Ramadan safari assistance and sports infrastructure assistance in the village. In addition, in October 2018 there were payments for livelihood plant fees to the community.

Description of the Ecological conditions of the concession

CV Putri Lindung Bulan has reference document to determine key species. In the area of CV Putri Lindung Bulan, it is reported that there are still often found several rare and endangered fauna species, namely hornbills (*Buceros rhinoceros*) and some locations are trajectories of the Sumatran Elephant (*Elephas maximus sumatrae*). This shows that the protected area which is a habitat for the species is still good. Concrete steps or activities that have been carried out in the framework of the management of key animals include the allocation and maintenance of protected areas in the form of a buffer zone with the Teso Nilo National Park and River border.

CV Putri Lindung Bulan has conducted an environmental impact assessment of potential impacts on protected, endemic, rare and endangered and endangered flora and fauna through the Environmental Management Effort (UKL) and Environmental Monitoring Efforts. These has been approved by the Head of Bapedalda Pelalawan Regency No . 07/2002 on 19 December 2002 (2,500 Ha) in the biological component which includes vegetation, wildlife and aquatic biota.

The Management Unit has mapped and protected representative samples of natural ecosystems: mapping areas in accordance with spatial planning: Protected Areas: river borders, buffer zone of Tesso Nilo National Park, area of staple plant, indigenous plant and livelihood plant.

The forest fire prevention carried out are:

- Early detection with NOAA, AQUA, TERRA satellite, hotspot monitoring and FDRS (Fire Danger Rating System) monitoring
- Patrol using land vehicles (cars, motorbikes) and the construction of fire towers to support patrol / fire incident monitoring
- As a form of preventive activities, counseling was conducted on the prohibition of burning to the surrounding community and the formation of the Fire Aware Community on June 12, 2014
- Creating a structure for preventing and managing large and small fires
- Providing fire prevention and mitigation infrastructure in accordance with the standard (UKP4)

The Management Unit has implemented appropriate steps in forest protection activities from illegal activities, which are as follows: Maintenance Procedures for Concession Area Boundaries, Procedures for Handling Security Threat Actions, Forest protection Programs, Forest protection and security procedures and Report on forest protection and forest rehabilitation. Which includes activities such as:

1. Annual Work Plan Socialization.
2. Socialization of protected areas.
3. Sign board installation (Prohibition of hunting wildlife and burning land).
4. Routine patrol (land and water)
5. Community development programs (CSR and life plant development).
6. Develop a system for early detection of changes in land cover by using remote sensing technology with satellite imagery
7. Establish guard posts and gates in encroachment prone areas
8. Communicating with the parties to the encroachment to resolve by continuing to prioritize the principles: free, Prior, Inform and Concern
9. Increase legal process efforts.

Based on the results of field verification, it shows that there is supervision and security of the area and forest resources related to permits to enter the area with a check in to the entry and exit points.



Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted public consultations commencing September 26, 2019, asking stakeholders to provide feedback and information about CV Putri Lindung Bulan. 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 CV Putri Lindung Bulan, 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 2,500 hectares.

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

Based on the Recertification Audit results, three (3) Minor Non-Conformities was identified by the audit team as follows

No	Non-Conformities	Corrective Action Performed	Category
1	Harvesting worksheet reference such as: Harvesting Plan, Harvesting Assessment Sheet not included in SOP of Harvesting Timber of Forest Plantations, published June 1, 2012; Revision 2. Indicator: I.1.11	The Management Unit will conduct harvesting work activities related to the SOP of Harvesting Timber Forest Plantations, published June 1, 2012.	Minor
2	The Management Unit has not been able to present the Spatial Monitoring Report and the results of identification and field checking. Indicator: I.3.1	The Management Unit will implement the activities according to the SOP of Status and Planning.	Minor
3	The report on the implementation of environmental permits for the first semester of 2019 has not included the Environmental Management Plan (UPL) for components of socio-economy and culture	The Management Unit has planned to include social aspects in the RKL / RPL report. The Management Unit will ensure that the environmental permit for the second semester of 2019 will be discussed	Major



	Indicator: I.10.2	in the report on socio-economic and cultural issues.	
Conditions under which the certificate is issued			
Certificate is valid until February 27, 2020, provided that CV Putri Lindung Bulan 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.			