

Public Report Sustainable Forest Management System

Ownership of this report and the information contained within remain the property of
AJA Europe



AJA EUROPE

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 ha

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: Surveillance 1 (REMOTE)

AUDIT START DATE: October 06, 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

AUDIT END DATE: October 08, 2020

LEAD AUDITOR: Riyadi Sigit Pamungkas

SIGNATURE:

AUDIT TEAM: Amin Kadeni

SIGNATURE:

Warsito

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
CV Putri Lindung Bulan	Ukui District, Pelalawan Regency, Riau Province – Republic of Indonesia	October 06 to 08, 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

CV Putri Lindung Bulan obtained IUPHHK-HTI based on the Decree of the Pelalawan Regent Number: 522.21 / IUPHHKHT / I / 2003/005 dated January 25, 2003 concerning the Granting of Business Permit for Utilization of Plantation Timber Forest Products in Plantation Forest to CV Putri Lindung Bulan covering approximately 2,500 hectares in Pelalawan Regency, Riau Province. There was no conversion of natural forest to plantation forest after December 31, 2010, thus the certified area is 2,500 ha.

The Management Unit has the latest RKUPHHK-HTI, which was approved by the Decree of the Minister of Environment and Forestry Number SK.10202/MenLHK-PHPL/UHP/HPL.1/12/2019 dated December 18, 2019 concerning the Approval of the Business Plan for Utilization of Timber Forest Products in Industrial Plantation Forest (RKUPHHK-HTI) for a period of ten-years from 2020 to 2029 of CV Putri Lindung Bulan in Riau Province.

Based on this RKUPHHK-HTI, the spatial layout of CV Putri Lindung Bulan consists of Protected Area of 965 ha (38.60%), and Cultivation Area of 1,535 ha (61.40%). The Cultivation Area is divided between Self-Management Pattern Area of 1,464 ha (58.56%), consisting of Effective Plant Area of 1,423 ha (56.92%), and Facilities of 41 ha (1.64%), and Partnership Pattern Area of 71 ha (2.84%), consisting of Effective Plan Area of 70 ha (2.80%), and Facilities of 1 ha (0.04%).

The geographic location of the CV Putri Lindung Bulan work area is located between 00° 18' 6" to 00° 20' 29" North and 101° 58' 34" to 102° 0' 30" East. Its working area is located under the administration of Bagan Limau and Lubuk Kembang Bungo Villages, Ukui District, Pelalawan Regency, Riau Province. The CV Putri Lindung Bulan concession is surrounded by:

- North side with Tesso Nillo National Park
- South side with PT Rimba Lazuardi
- East side with PT Rimba Peranap Indah
- West side of PT Rimba Lazuardi

The Management Unit is part of Air Hitam Forest group, the topography of the working area being flat (0 - 8%) at an altitude of 10 to 30 meters above sea level. The soil types include alluvial and fine-grained tefra, while the geological formations consist of BKN and MBI formations. It has a climate type of A (Schmidt and Fergusson) with rainfall of 2,236 mm / year, where the highest rainfall is in December and the lowest in February.

The species 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

CV Putri Lindung Bulan is included in the administrative area of Bagan Limau and Lubuk Kembang Bungo Villages, Ukui District, Pelalawan Regency, Riau Province. The majority of people living around the concession area are Malay, with the rest being immigrants from other islands. There is no customary law community to be found as defined in the laws and regulations.

According to the previous year audit, the Management Unit had entered into cooperation agreements with the villages on livelihood plants and the formation of the Community for Fire Awareness (MPA). By the time of the remote audit there was no additional collaboration either in livelihood plants or in the formation of a new MPA.

There is no area claimed by the community within the concession, as evidenced from examination of the operational maps and interviews with The Management Unit and the village governments. This is largely due to the concession area being far from settlement and surrounded by forest.

The realization of the Community Development program performed in 2020 included groceries and food assistance for the impact of Covid-19 on the surrounding community.

Description of the ecological conditions of the concession

CV Putri Lindung Bulan has Environmental Impact Analysis (AMDAL), Environmental Management Efforts (UKL) and Environmental Monitoring Efforts (UPL) for Forestry and Plantation Development, dated December 19, 2002.

CV Putri Lindung Bulan has established a documented procedure related to logging activities, namely SOP of Reduce Impact Logging. The Management Unit also carries out an assessment using the HQA and RWA forms where several parameters are assessed indicating that harvesting activities are confirmed to meet standards or comply with environmentally friendly harvesting procedures.

CV Putri Lindung Bulan has carried out soil management to reduce the rate of fertility decrease and soil erosion through various activities including:

- Implementation of area arrangement based on land suitability maps,
- Application of a no-burning policy in land preparation,
- Perform fertilization to maintain soil fertility,
- Leaving logged debris (bark and tree branches) of no economic value in the area to increase the organic matter content,
- Plant immediately on land that has been cleared,
- Evenly scatter litter on the forest area after harvesting to slow run-off speed,
- Maintain the existence of natural forest in the concession area in the form of a protected area, especially the riparian area as a water catchment area.

Monitoring of vegetation diversity and distribution in protected areas is carried out using the vegetation analysis method. The areas monitored include the Pebakalan and Air Hitam riverbanks. While the wildlife monitoring is carried out based on direct and indirect encounters. Monitoring of indirect encounters is carried out by recording signs of a species of wild animal, such as traces, eating marks, nests, and other signs of presence. Species found during monitoring include hornbills (*Bucherus rhinoceros*) and Sumatran elephants (*Elephas maximus sumatrae*).

Waste management is carried out to handle spills of fuel, lubricants and chemicals (B3), which are collected in a temporary shelter before being sent to a licensed B3 waste collector.

The concession area of CV. Putri Lindung Bulan borders on the Tesso Nilo National Park, so the company has altered the protected area with a buffer zone designation that forms a riparian or river border.

Pest and plant disease management activities carried out by CV Putri Lindung Bulan include manual, biological and pesticide methods as deemed best suited, as well as the provision of quality seeds to preclude such attacks.

Activities carried out in relation to forest and land fire management include:

- Continuous conduct of FRA (Fire Risk Assessment) and mapping fire prone areas;
- Provision of adequate land and forest fire-fighting equipment and infrastructures;
- Increased competence and formation of fire-fighting teams through community empowerment,
- Early detection from hotspot ground checks and monitoring satellites (NOA, TERRA & AQUA),
- Comprehensive patrols and monitoring from fire towers and CCTV,
- Carrying out preventive activities by providing counselling and socialization about the dangers of land clearing by burning,
- Conduct a compartment system in HTI construction activities, as well as maintenance of fire hazard warning boards.

Results of the Public Consultation

Prior to carrying out the Surveillance 1 Audit, PT AJA Sertifikasi Indonesia conducted public consultations commencing September 18, 2020, 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.

According to the results of Surveillance 1 Audit of CV Putri Lindung Bulan, no Non-Conformities of either a Major or Minor nature were identified by the audit team.

Conditions under which the certificate is issued

Certificate is valid until February 27, 2022, provided that CV Putri Lindung Bulan does not have any major 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.