

# Public Report Sustainable Forest Management System

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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

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 2 (REMOTE)

AUDIT START DATE: October 21, 2021

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 23, 2021

LEAD AUDITOR: Agung Utama Lubis

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Riyadi Sigit Pamungkas

SIGNATURE:

Signature of Agung Utama Lubis

Signature of Andri Wibisono

Signature of Riyadi Sigit Pamungkas

MAJOR CARs: 0

MINOR CARs: 1

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, Indonesia	October 21 to 23, 2021
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 an IUPHHK-HTI based on the Decree of the Regent of Pelalawan Number: 522.21/IUPHHKHT/I/2003/005 dated January 25, 2003 regarding the Granting of a Business Permit for the Utilization of Timber Plantation Forest Products to CV Putri Lindung Bulan of approximately 2,500 hectares in Pelalawan Regency. There was no conversion of natural forest to plantation forest after December 31, 2010. Thus, the IFCC Certified area in CV Putri Lindung Bulan is 2,500 hectares.

The Management Unit has a ten-year management plan namely RKUPHHK-HTI ratified by 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 Business Plans for Utilization of Industrial Timber Forest Products (RKUPHHK-HTI) for the period of 2020 to 2029 on behalf of CV Putri Lindung Bulan in Riau Province.

The Management Unit has carried out spatial planning according to the RKUPHHK-HTI which consists of Protected Area of 965 Ha (38.60%) consisting of River Border area of 239 Ha (9.56%) and the Buffer Zone of Tesso Nilo National Park of 726 Ha (29.4%), and Cultivation Area of 1,535 Ha (61.40%) consisting of Self-managed Area of 1,464 Ha (58.56%) and Partnership-managed Area of 71 Ha (2.84%).

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. 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

The work area of CV Putri Lindung Bulan is surrounded by plantation forest concession and Tesso Nillo National Park. There are no cultural sites and community activities within the concession area because the access to the surrounding community is closed. There are two closest villages around the concession, namely Lubuk Kembang Bungo Village and Bagan Limau Village. The livelihoods of the people around the concession are dominated in agriculture. No indigenous community occupies the concession area.

CV Putri Lindung Bulan has made conflict resolution efforts with the surrounding community. Based on the Report on Potential Mapping and Conflict resolution in Semester I of 2021, the conflict status of CV Putri Lindung Bulan is 40% (controlled). As prevention of conflict, CV Putri Lindung Bulan collaborated with the surrounding community. There is a livelihood plant cooperation agreement between CV Putri Lindung Bulan and the villages. The term of the agreement is along with the period of concession permit. Other cooperation agreement is the establishment of Community with Fire Awareness with the village on December 21, 2020.

CV Putri Lindung Bulan has implemented a corporate social responsibility program for the surrounding community in 2020 to 2021. The programs implemented include mosque construction and Ramadan package assistance, and the assistance for victims affected by Covid-19.

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

CV Putri Lindung Bulan has obtained the approval of AMDAL, Environmental Management Efforts (UKL) and Environmental Monitoring Efforts (UPL) Number: 07/TAHUN/2002 dated December 19, 2002, as the requirements for a forest utilization business. One of the environmental activities CV Putri Lindung Bulan has carried out to minimize the impact of operational activities is soil management in relation to suppress the rate of decline in fertility and the rate of soil erosion. The soil fertility management is carried out through various activities, including:

- implementation of area arrangement based on land suitability map,
- implementation of a no-burn policy in land preparation,
- soil fertilization,
- leaving logging residues (bark and tree branches) which does not have economic value in the area to increase the organic matter content,
- conducting micro planning before harvesting activities to determine the direction of felling and skid track,
- loosening the soil which is experiencing compaction (such as TPn and skid track).

CV Putri Lindung Bulan has done water management and monitoring for conservation referring to the regulations of PP. 82 of 2001 concerning Water Quality Management and Water Pollution Control and Minister of Health Regulation No. 416/Perl/IX/1990 concerning Water Quality Requirements and Supervision for clean water management. Water conservation activities are implemented through the allocation of protected areas (river borders and buffer zones), structuring of boundaries and protection of areas, maintenance of water sources, outlets and drinking water, regularly check the quality of river water and housing wells in external laboratories. The river borders and buffer zones also function as wildlife corridors and wildlife enclaves. CV Putri Lindung Bulan has conducted a periodic inventory of flora and fauna in the protected area and identified rare and endangered fauna species, namely hornbills (*Bucheros rhinoceros*) and Sumatran elephants (*Elephas maximus sumatrae*).

The management of hazardous and toxic waste (B3) is being implemented to handle and prevent the impact of operational waste, which refers to PP no. 74 of 2001. The collection of B3 waste from company operations in Temporary Shelters (TPS) is required before being sent to licensed B3 waste collectors, users, and destroyers, to prevent hazardous spill to the environment.

The Business Permit for the Utilization of Timber Forest Products from Plantation Forests (IUPHHK-HT) is not the only effort to increase forest productivity in supporting the forest product management industry but is an integral part of forest development efforts. In addition, it is also an effort to conserve forest resources and the environment in a systematic and sustainable manner, especially against the threat of forest fires, erosion, encroachment, and illegal logging in conservation areas.

#### Results of the Public Consultation

Before carrying out the Surveillance 2 Audit, PT AJA Sertifikasi Indonesia conducted public consultations commencing September 06, 2021, 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](http://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.

The result of Surveillance 2 Audit is one minor non-conformity, as follows:

No	Non-Conformity (NC)	Corrective Action to be Undertaken	Category
1.	The status of the protected Sumatran elephant ( <i>Elephas maximus sumatranus</i> ) was written as Near Threatened (IUCN) in the RKL and RPL documents for the second semester of 2020. The status should be in the Critically Endangered (CR) category. This issue was an observation in the last year audit and become a minor non-conformity because the Management Unit have not implemented improvements.  (Indicator I.7.1.)	The Management Unit has identified the protection status of Sumatran elephant and will correct the status in report in the following semester.	Minor

#### Conditions under which the certificate is issued

Certificate is valid until February 6, 2023, 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 Recertification visit. If the non-conformities are not closed at the next Recertification, the certificate will be suspended until such time as AJA is able to perform a closeout visit.