

Public Report Sustainable Forest Management System

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CLIENT NAME: PT KORINTIGA HUTANI

TOTAL HECTARES: 94,384

SCOPE OF REGISTRATION: Sustainable Forest Management of 94,384 hectares of Plantation Forest in Central Kalimantan Province

STANDARD / CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Additional Surveillance due to Covid 19 (REMOTE)

AUDIT START DATE: December 14, 2020
 AUDIT END DATE: December 18, 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

AUDITOR LEAD: Andri Wibisono

SIGNATURE:

AUDIT TEAM: Abdullah Mujahid

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Korintiga Hutani	Menthobi Raya District, Bulik District, North Arut District, South Arut District, Lamandau Regency, West Kotawaringin Regency, Central Kalimantan Province, Republic of Indonesia	December 14 to 18, 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

PT Korintiga Hutani obtained IUPHHK-HTI based on the Decree of the Minister of Forestry (Addendum IV) Number 201 / Menhut-II / 2011 dated April 8, 2011 regarding the change of area to about 94,384 ha.

The implementation of forest management operations based on the Management Plan document, namely the Revision (second) of RKUPHHK-HTI for the period 2011 to 2020, which was approved based on the Decree of the Minister of Environment and Forestry Number: SK.8737 / MenLHK-PHPL / UHP / HPL.1 / 12/2018 dated 21 December 2018 concerning the Approval of the Revised Work Plan for the Utilization of Timber Forest Products in Industrial Plantation Forest (RKUPHHK-HTI) for a period of 10 years for the period 2011 to 2020 on behalf of PT Korintiga Hutani in Central Kalimantan Province.

For the period of 2021 to 2030, a new RKUPHHK-HTI has been made and legalized by the Decree of the Minister of Forestry and Environment Number SK 6422 / MenLHK-PHPL / UHP / HPL.1 / 11/2020 dated 20 November 2020 concerning Approval of Utilization of Timber Forest Products in Industrial Plantation Forest (RKUPHHK-HTI) for the 10-year period 2021 to 2030 on behalf of PT Korintiga Hutani in Central Kalimantan Province.

The spatial layout of the work area is divided into: 11,823 ha (12.53%) of Protected Areas, 63,528 ha (67.31%) of Staple Plants Area, 19,033 ha (20.17%) of Livelihood Plants Area; percentage total due to rounding. Protected areas consist of 2,205 ha (2.34%) of Riparian Area, 9,318 ha (9.87%) of Wildlife Conservation Area (KPSL), and 300 ha (0.32%) of Germplasm Conservation Area (KPPN).

In the Management Unit's working area, there has been no conversion of natural forest areas to plantation forest since December 31, 2010, so the area for IFCC certification is 94,384 ha.

PT Korintiga Hutani is geographically located at 01° 62' 30" to 02° 20' 00" South and 111° 28' 00" to 111° 55' 00" East. The working area borders a community area. Based on government administration, the concession is located at Mentohi Raya District, Bulik District, North Arut District, South Arut District, Lamandau Regency, West Kotawaringin Regency, Central Kalimantan Province.

The general conditions of the work area are as follows:

1. Forest group: Sei Mentohi and Sei Arut
2. Land type: dry land
3. Topography:
 - a. Flat (0-8%): 61.4%
 - b. Ramps (8-15%): 12.3%
 - c. Wavy (15-25%): 11.8%
 - d. Slightly Steep (25-40%): 8.8%
 - e. Steep > 40%: 5.7%
4. Altitude: 25 - 500 meters above sea level
5. Soil type: Alluvial (1.3%), Gleisol (3.75%), Kambisol (39.24%), Litosol (0.06%), Podsollic (51.64%), Regosol (4.01%)
6. Geology (Rock): Kuayan (TRvk) 93.02%, Tonalt Sepauk (Kls) 6.41%, Mandahan Granite (Kgm) 0.57%.
7. Climate Type: A.
8. Rivers: Sei Maja, Sei Peguluman, Sei Uwah and Sei Moa

Species developed for production are: *Eucalyptus sp*, *Acacia mangium*, *Anthocephalus macrophylus*, *Anthocephalus cadamba*, *Paraserianthes falcataria*

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

Based on the Village Map and the results of the previous year's audit, there are thirteen villages around the PT Korintiga Hutani concession spread across three districts and two regencies in Central Kalimantan Province, The residents living in the vicinity of the company's concession are local communities. Based on the previous year's audit, there were no indigenous peoples living around the company concession. The livelihoods of the population based on Kotawaringin Barat District 2019 figures, were mostly in the agriculture sector, trade sector and in the processing industry.

PT Korintiga Hutani has prepared a Report on Potential Mapping and Conflict Resolution in 2020. Based on the Results of Potential Conflict Mapping, the Conflict Status at the IUPHHK level is under control.

There is a Report on Conflict Handling Recapitulation with the communities in the PT Korintiga Hutani IUPHHK HTI Area from 2017 to March 2018. Based on this report, land claims of 5,604 ha have been resolved. The three claim areas were settled through the Kotawaringin Barat District Court in Pangkalan Bun.

Based on interviews with the Head of Village Consultative Body (BPD), when PT Korintiga started operating, there were land claims from local residents, but these claims had been resolved by the company in the form of land compensatio. In addition, the company and the community have also worked together in partnership in the form of Livelihood Plants Agreements by providing a fee from crop yields carried out by the company and given to the local community. Thus, there has been no open conflict between the community and the company recently.

PT Korintiga Hutani has implemented partnership cooperation with local communities in the form of Private Forest Partnership and Community Plantation Forest Partnerships. As of October 2020, the area under cooperation covers 1,599.80 ha.

PT Korintiga Hutani has conducted outreach and entered into a cooperation agreement on the use of non-timber forest products with the community around the company, on February 6, 2020. There is an official report on the implementation of HHBK socialization, signed by each of the Village Heads and the Environmental Manager of PT Korintiga Hutani. There is a Cooperation Agreement for the Collection of Non-Timber Forest Products (HHBK) in the PT Korintiga Hutani Area by local communities. Based on interviews with the Head of the Village Consultative Body (BPD), this Community Plantation Forest cooperation, includes access for seeking non-timber forest products and recruitment of employees from the surrounding community.

Based on the results of monitoring the implementation of CSR in 2020 through December, realization had been more than 100% of the planned CSR program. CSR activities include: education programs, religion, customary activities, clean water facilities, national holidays, Covid-19 assistance, socio-cultural activities, youth, village infrastructure including assistance with the construction of access roads to villages, and scholarships.

Description of the ecological conditions of the concession

The Management Unit has identified forest management activities that have significant impact. The environmental impact assessment was performed through: PT Korintiga Hutani IUPHHK-HTI AMDAL RKL AND RPL documents (Approved and Ratified by the AMDAL Commission of the Ministry of Forestry 48 / DJ-VII / AMDAL / 97 dated 12 March 1997. Environmental Permit by the Governor of Central Kalimantan on October 27, 2010 (recorded in the OSS System), through which the implementation of environmental management and monitoring each semester is presented in the Environmental Permit Implementation report (RPL / RKL) .

- The Reduced Impact Logging activity is carried out in stages: before harvesting activities (pre-harvesting), during harvesting operations, and after logging activities (post-harvesting)
- Monitoring of negative impacts of forest management activities in the concession area is carried out in accordance with documents AMDAL RKL AND RPL of IUPHHK-HT, 1997. There are documented procedures that serve as guidelines in carrying out monitoring activities on those impacts, such as for Monitoring Protected Areas, for Monitoring of Discharge and Water Quality and for the Monitoring of Erosion.
- The Management Unit has carried out Biodiversity Management activities through the identification and inventory of protected, endemic, rare and threatened / endangered flora and fauna within the concession area. The results of the identification and inventory can be found in: Documents AMDAL RIUPHHK-HTI KL AND RPLPT Korintiga Hutani 1997. Implementation Report of RKL / RPL (Semester 2, 2019 and semester 1, 2020).
- Identification of key species includes their habitats, plus their migration patterns. Based on this identification, there is a key species in the area, namely the orang utan (*Pongo pygmaeus*).
- An environmental impact assessment of the potential impact on protected, endemic, rare and threatened / endangered species of flora and fauna has been carried out, documented through AMDAL RKL AND RPL IUPHHK-HT I1997.
- The staple plants cultivated are not genetically modified tree species, being *Acacia mangium*, *Eucalyptus pellita*, and *Anthocephalus macrophyllus*.

The Management Unit has carried out Forest Protection activities, whether due to human or natural causes.

- Identify and monitor disturbances in Sustainable Forest Management, which based on document review and field verification, are in general, in the form of forest fire hazards, illegal land encroachment and illegal logging.
- Has a documented procedure to prevent and deal with pest and disease attacks, the Integrated Pest and Disease Management SOP, that utilizes manual, biological or a chemical approach as deemed appropriate.
- Has documented procedures for handling spills of fuel oil, lubricants and chemicals, as well as for the handling of hazardous and toxic waste (B3).
- Has implemented forest protection measures against fire hazards.
- In the work area, livestock grazing activities by the community is forbidden.

Results of the Public Consultation

Before carrying out the Additional Surveillance due to Covid-19, PT AJA Sertifikasi Indonesia conducted public consultations commencing November 24, 2020, asking stakeholders to provide feedback and information about PT Korintiga Hutani. 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 public consultations.

The audit team also collected information from the mass media about PT Korintiga Hutani, 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, which consists of legal aspects that include compliance with rules and regulations and international conventions. A management system has been established to cover all activities in the certification field, which is registered for an area of 94,384 hectares.

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

Based on the results of this Additional Surveillance Audit of PT Korintiga Hutani, there were no Non-Conformities of either a Major or Minor Category identified by the audit team.



Conditions under which the certificate is issued

Certificate is valid until January 18, 2022 provided that PT Korintiga Hutani does not have any problems at the next Recertification visit. If any non-conformities are not closed at the next Recertification visit, the certificate will be suspended until such time as AJA is able to perform a closeout visit.