

# 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

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Recertification (HYBRID)

AUDIT START DATE: November 01, 2021

AUDIT END DATE: November 05, 2021

LEAD AUDITOR: Riyadi Sigit Pamungkas

AUDIT TEAM: Amin Kadeni

Agung Utama Lubis

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

SIGNATURE:

SIGNATURE:

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, Kotawaringin Barat Regency, Central Kalimantan Province – Republic of Indonesia	November 01 to 05, 2021
SITE NAME (Legal Name):	ADDRESSES OF ADDITIONAL SITES NOT VISITED BUT STILL COVERED BY THE REGISTRATION INCLUDING COUNTRY – TO BE COMPLETED IF THE CLIENT IS UNDER A SITE SAMPLING AUDIT PLAN	
NA		

#### Brief Description of the concession

PT Korintiga Hutani is a company engaged in the business of Industrial Timber Forest Products Utilization for Permanent Production Forest Areas (HPT) located in Kotawaringin Barat Regency, Central Kalimantan. The area under management is approximately 94,384 as stated in the Fourth Addendum Decree No. 201/ Menhut-II/2011, dated April 8, 2011. In the arrangement of the work area, the allocation of the work area is divided into Designation of Protected Areas of 18,992 ha (20.12%) and Cultivation Area of 75,392 ha (79.88%) which consists of a Self-managed Pattern Area of 66,024 ha (69.95%), Partnership-managed Pattern Area of 6,252 ha (6.62%) and Facilities of 3,116 ha (3.31%). There was no conversion of natural forest to plantations above December 31, 2010, thus, PT Korintiga Hutani IFCC certified area is 94,384 ha.

PT Korintiga Hutani has an RKUPHHK-HTI for the 2021 to 2030 period approved based on the Decree of the Minister of Environment and Forestry Number: SK 6422/MenLHK-PHPL/UHP/HPL.1/11/2020 dated November 20, 2020, concerning Approval Business Plan for Utilization of Industrial Timber Forest Products (RKUPHHK-HTI) for a period of 10 (ten) years for the period 2011-2020 on behalf of PT Korintiga Hutani in Central Kalimantan Province.

The IUPHHK-HTI area of PT. Korintiga Hutani is geographically located between 01° 28' 00" to 02° 20' 00" South and 111° 28' 00" to 111° 55' 00.74" East. Administratively, it is located in the Districts of Mentohi Raya, Bulik, Sematu Jaya, South Arut, and Arut Utara of Regency of Kotawaringin Barat and Lamandau, Central Kalimantan Province. PT. Korintiga Hutani can be reached from the provincial capital by driving, river, and air transportations. The concession area is bordered by:

- North side: PT. Intrado Jaya Intiga,
- East side: PT. Arut Sawit Mandiri,
- South side: PT. Mitra Mendawai Sejati,
- West side: PT. Gemareksa Mekarsari.

PT Korintiga Hutani has a timber administration system starting from the location of logging to transporting wood to the industry and to show that there is a transparent movement of wood in sustainable forest management supported by relevant and verifiable documentation. The species developed for the production are of timber forest products are *Eucalyptus sp*, *Acacia mangium*, *Anthocephalus macrophylus*, *Anthocephalus cadamba*, and *Albizia falcataria*.

The land of the IUPHHK-HTI area is dry land, composed of the soil type of Alluvial (1.3%), Gleisol (3.75%), Cambisol (39.24%), Litosol (0.06%), Podsollic (51.64%), and Regosol (4.01%). The concession topography is mostly flat (slope 0-8%). The altitude of the concession area is 25 - 500 meters above sea level with a climate type of A (Schmidt and Fergusson).

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

There are no indigenous communities around the PT Korintiga Hutani concession. The livelihoods of the residents are dominated by agriculture, forestry, and fisheries. Other livelihoods are in the trading, food, and accommodation sectors; mining and quarrying sector; building and construction sector. There are thirteen villages around the PT Korintiga Hutani concession spread across three districts and two regencies.

The status of the potential conflict in PT Korintiga Hutani is safe (score: 37%) according to the Potential Mapping Report and Conflict Resolution of Semester I and Semester II of 2020. The Management Unit has efforts to prevent and resolve conflicts with the surrounding community although the status is safe. For example, the company solved land claims by providing compensation for ex-fields and growing crops for the claimers.

The collaboration with the surrounding community is in the form of a cooperation agreement for the use of non-timber forest products. The contents of the agreement concern the accessibility of the community to use non-timber forest

products in the concessions, either in protected areas or in production areas. Though, the utilization of non-timber forest products is only allowed by using traditional tools and is prohibited from using mechanical tools such as chainsaws, etc. The non-timber forest products are being utilized to meet the subsistence needs of residents and shall not damage the environment.

PT Korintiga Hutani also collaborated in livelihood plants with the villages. Based on the recapitulation of livelihood plant cooperation during 2021, the total villages which collaborate in livelihood plants are thirteen villages and nine village cooperatives (KUD)

PT Korintiga Hutani has implemented a corporate social responsibility program for the surrounding community, evidenced by plans and reports for the implementation of the Community Development Program in 2021. The implementations include the fields of education (assistance for honorary teachers, religious teachers, spiritual officers), the commemoration of religious holidays, traditional events, construction of places of worship, maintenance of access roads, provision of clean water facilities, scholarships for students, and college students, and food assistance for victims affected by the pandemic. Until October 2021, the realization of the program has reached 95% of the planned.

### Description of the Ecological conditions of the concession

PT Korintiga Hutani allocated areas that function for water, soil, and flora and fauna protection, namely Local Protected Areas and Other Protected Areas of 11,823 ha (12.5%) consisting of River Border of 2,205 ha (2.3%), KPPN of 300 ha (0.3%) and KPSL of 9,318 ha (9.9%).

PT Korintiga Hutani has developed and implemented a Documented Procedure for the controlled use of B3 (Hazardous and Toxic Substances). The Management Unit prohibits the following activities as prevention:

- Carrying out transportation and utilization of B3 waste without a clear permit from the authorized or certified party,
- Mixing B3 waste,
- Storing hazardous waste for more than 365 days since it is generated.

PT Korintiga Hutani implemented the identification of protected flora and fauna by observation methods. The observation is performed through direct and indirect encounters. The improvement of flora and fauna habitats that are protected by endemic, rare, and threatened/near-extinct species, as well as unique characteristics for biological purposes such as mother trees/saplings, dead old hollow trees, nesting and eating places for animals, are implemented in the concession area. Wildlife species have the potential to decrease the quantity and quality of the area. Routine patrol and monitoring s of protected areas shall be conducted regularly. The Management Unit's additional effort is by marking the boundaries of protected areas and making animal corridors.

PT Korintiga Hutani has identified key species in the concession area. Based on the HCVF (High Conservation Value Forest) study conducted in collaboration with a consultant in August 2020, the key species in the concession area is the Orangutan (*Pongo pygmaeus*).

A high commitment to producing wood from the staple plants of *Eucalyptus pellita* and *Acacia mangium* which does not come from Genetically Modified Organism (GMO) seeds, but from the clonal test process, which is a process to produce high-quality seeds in the construction of breeding orchard, clonal seed orchard and mainline population to obtain the Mean Annual Increment (MAI) and a high survival rate at harvest.

The protection of forests against fires is implemented as referred in SOPs for Fire Handling, SOPs for Emergency Response to Fire and Control of Fire and Forests in the work area, and SOPs for Monitoring Hotspots in the work area. Meanwhile, management actions in the context of preventing and overcoming forest fires are:

- Formed a Forest and Land Fire Control Brigade,
- Prepare fire alerts/announcements,
- Conducting forest and land fire alerts,

- Conducting forest/land fire simulation/training,
- Making firebreak,
- Completing facilities and infrastructure for fire control and prevention (P32/Men-LHK/Setjen/Kum.1/3/2016),
- Establish a forest fire monitoring post,
- Making water reservoirs,
- Providing early warning tools (monitoring towers, sirens, drone operations, fire hazard index boards, monitoring hotspots, fire patrols, fire monitoring posts and having a Fire Danger Supervision flag (PBK),
- Conduct fire surveillance (Towers II and III),
- Install warning boards, fire warnings in strategic places and banners,
- Conduct fire patrols.

#### **Results of the Public Consultation**

Before carrying out the Recertification Audit, PT AJA Sertifikasi Indonesia conducted a public consultation commencing October 07, 2021, 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](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 consultation.

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 consist of legal aspects that include compliance with rules and regulations and international conventions. The management system has been built to cover all activities in the field of certification, 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.**

The results of the Recertification Audit (Hybrid Audit) of PT Korintiga Hutani are zero non-conformities either in the Minor or Major category. No critical issues were identified during the audit.

#### **Conditions under which the certificate is issued**

Certificate number AJA/IFCC-PEFC/FMC-HT/00038/I/2018 is valid until January 18, 2025, provided that PT Korintiga Hutani maintains its Surveillance schedule and does not have potential major non-Conformities in the next Surveillance.