

# **Public Report Sustainable Forest Management System**

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# AJA EUROPE

## PUBLIC AUDIT REPORT - SFM

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



**CLIENT NAME:** PT. RIAU ABADI LESTARI

**TOTAL HECTARES:** 12,000 ha

**SCOPE OF REGISTRATION:** Sustainable Forest Management in Plantation Forest area of 12,000 hectares in Riau Province, Indonesia

**STANDARD/CRITERIA:** IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

**TYPE OF AUDIT:** STAGE 2

**AUDIT START DATE:** November 20, 2017  
**AUDIT END DATE:** November 23, 2017

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

**LEAD AUDITOR:** Abdullah Mujahid

**SIGNATURE:**

**AUDIT TEAM:** Rahmat Safe'i

**SIGNATURE:**

Abdul Salam

**SIGNATURE:**

**MAJOR CARS:** \_

**MINOR CARS:** \_

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
PT. Riau Abadi Lestari	Sindotim Unit - Tapung District, Kampar Regency, Riau Province, Republic of Indonesia.	November 21 and 22, 2017
PT. Riau Abadi Lestari	Mandiingin Unit - Minas District, Siak Regency, Riau Province, Republic of Indonesia.	November 20 and 23, 2017
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	
PT. Riau Abadi Lestari	Tasik Serai Unit - Talang Muandau District, Bengkalis Regency, Riau Province, Republic of Indonesia.	

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#### Brief Description of the concession

PT Riau Abadi Lestari obtained a permit based on the Letter of Business License for Timber Forest Product Management in Transmigration System Industrial Forest from Ministry of Forestry: 542/KPTS-II/1997 date August 25, 1997, area: 12,000 ha. There has been no conversion of natural forest after December 31, 2010 and thus the scope for certification is 12,000 ha.

PT. Riau Abadi Lestari consists of three (3) Blocks / Units, as follows:

1. **Tasik Serai Unit**, located in Talang Muandau District, Bengkalis Regency. In Tasik Serai Unit there are three villages: Kampong Serai Wangi, Kampong Beringin, and Kampong Koto Pahit.
2. **Sindotim Unit**, located in two (2) districts, namely Minas District, Siak Regency where there is one (1) village, Kampong Rantau Bertuah, and Tapung District, Kampar Regency where there is also one (1) village, Kampong Bencah Kelubi.
3. **Mandiangan Unit**, located in Minas District, Siak Regency. In Sindotim Unit there is one (1) village, Kampong Mandiangan.

Based on RKUPHHK-HTI PT Riau Abadi Lestari Period Year 2009 - 2018 and its attachment that has been validated through the Decree on behalf of Minister of Forestry No: SK.35/VI-BPHT/2009 dated 13 February 2009, the spatial arrangement of the Cultivated Area of 7,665 ha is as follows: Main Plant Area of 5,665 ha (47.21%), Protected Area of 200 ha (1.67%), and Livelihood Plant Area of 1,800 ha (15.00%).

Description of the concession area of PT Riau Abadi Lestari is as follows:

No	Discription	Sindotim	Mandiangan	Tasik Serai
1.	Geographic location	1. 101°32'10" to 101°37'15" East 2. 01°01'00" to 01°06'00" South	1. 101°29'30" to 101°34'30" East 2. 01°47'15" to 01°59'15" South	1. 101°15'00" to 101°21'30" East 2. 00°40'00" to 00°43'30" South
2.	Government Administration	1. Kampar Regency 2. Tapung Hilir District	1. Siak Regency 2. Minas District	1. Bengkalis Regency 2. Talang Muandau District
3.	Watershed Area (DAS)	1. Tapung Kanan River 2. Tapung Kiri River	1. Perawang River 2. Mandau River	1. Air Jamban River 2. Empohan River
4.	1. Types of Soil  2. Topography	Red-yellow Podzolik, Organosol, Gleis humus  Flat (83.4%), Sloping (16.6%)	Red-yellow Podzolik, Organosol, Gleis humus  Flat (94.8%), Sloping (5.2%)	Red-yellow Podzolik, Organosol, Gleis humus  Flat (93.2%), Sloping (6.8%)
5.	Main Plant Species	<i>Eucalyptus pellita</i>	<i>Eucalyptus pellita</i> <i>Acacia crassicaarpa</i>	<i>Eucalyptus pellita</i>

For this Stage 2 Audit the Sindotim Unit and Mandiangan Unit were visited

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

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PT Riau Abadi Lestari has built five villages around its three units, Kampong Serai Wangi, Kampung Beringin, Kampung Rantau Bertuah, Kampung Bencah Kelubi and Kampung Mandiangin. These villages are the settlement areas of the Trans HTI Program, in accordance with the Forest Timber Product Management Permit Letter on the Transmigration Timber Industrial Plantation from the Minister of Forestry: 542 / KPTS-II / 1997 date August 25, 1997.

The Management Unit has provided access to indigenous peoples and local communities to utilize forest resources such as honey, fish and resin that have important functions in economic, ecological, and cultural terms. Based on interviews with village elders of Kampung Rantau Bertuah, Unit Sindotim and of Kampung Mandiangin, Mandiangin Unit access is provided for people to utilize these non-timber forest products that are found on the concession.

PT. Riau Abadi Lestari has entered into a series of agreements with the indigenous peoples and / or local communities in regard to forest management. The scope of these agreements includes implementation of measures to prevent and overcome forest and land fires in the specific areas, as well as to provide support to the local communities.

The Management Unit has in place a conflict resolution mechanism that is based on discussion to reach consensus. Should an amicable resolution not be achieved, then the matter is subject to mediation by a third party either from the district or regency level and involving community leaders and local *adat* stakeholders.

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

In implementing its environmental management, PT Riau Abadi Lestari has identified forest management activities that have significant impacts and conducted environmental impact assessments. The impact parameters are managed and monitored, i.e. in the construction stage of the opening of the forest area, the parameters affected include land subsidence, fire hazards, hydrology and water quality, and wildlife habitat. For land preparation activities, the parameters affected are the physical and chemical properties of the soil, soil degradation, fire hazards, protected species and changes in wildlife habitat. Meanwhile, parameters affecting planting activities include chemical properties of the soil, along with pests and plant diseases.

The Management Unit carries out environmental management responsibilities through an Environmental Management Plan (RKL) and an Environmental Monitoring Plan (RPL) to minimize negative impacts and improve environmental quality in the work area, the documentation being reported to the Regional Environmental Agency (BLHD) each semester. In so doing, the Management Unit conducts the following activities: monitoring of protected areas; monitoring of erosion and soil quality; monitoring of water discharge and quality; management of hazardous and toxic wastes (B3); and management and monitoring of protected wildlife and flora.

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

Prior to carrying out the Stage 2 Audit, PT AJA Sertifikasi Indonesia conducted Public Consultation commencing November 10, 2017, asking stakeholders to provide feedback and information about PT. Riau Abadi Lestari. The Public Consultation was uploaded to the of PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to relevant parties via email and / or postal mail, and announced in local newspapers. The public consultation resulted in feedback from two parties.

Field Verification Result of Public Consultation:

Field verification was conducted on November 21, 2017 at Kampung Rantau Bertuah, which was attended by three senior members of the community. In an interview, the representatives voiced the community's expectations that they should receive the Sigahkar program that PT. Arara Abadi had implemented at Kampung Rantau Bertuah. Based on interviews and clarifications with the Forest Protection Head, this program is one that has been run by PT. Arara Abadi. Meanwhile, PT. Riau Abadi Lestari has implemented its own program and cooperation with the community of Kampung Rantau Bertuah

Field verification was conducted on November 21, 2017 at Mandiangin Village Office, which was attended by a number of

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senior members of the community. In answer to the first complaint that PT. Riau Abadi Lestari was an obstacle to the land certification program in the village, it was pointed out that Mandiangin Village is a settlement area of the Transmigration HTI Program, located within the Forest Zone, so that if it is to be certified it must be removed from the forest area. However, PT Riau Abadi Lestari has no authority to remove it from forest area.

Based on interviews, the point was raised that the road is the only access road for the village citizens to the district capital. This road is not only used for schoolchildren from Mandiangin Village but also by all transport vehicles from the village as well.

Based on the field observation, the road is the only road for the oil palm transport vehicles that exit Kampung Mandiangin. The road was originally constructed by PT. Caltex circa 1987, which then became a road belonging to the local government. The road is also the access road of PT. Arara Abadi because of its location within the concession area of PT. Arara Abadi. This road is also an access road for employees and workers of PT. Riau Abadi Lestari to reach its concession location in Kampung Mandiangin. Based on the existing fact that the road referred to by the Mandiangin villagers is a road within the concession of PT. Riau Abadi Lestari, they expect the Management Unit to keep it in good repair. However, based on interviews with the Head of the PT. Riau Abadi Lestari Unit and the Forest Protection representative, PT. Riau Abadi Lestari had maintained the road in February 2017 and August 2017. Due to high rainfall in October and November 2017 and the vehicles passing along the road exceeding the tonnage it could handle under such conditions, the road swiftly became damaged with many potholes developing that hampered the passage of transport vehicles.

The Mandiangin River is situated some distance from the community settlement, and the flooded area is the palm oil plantation area of the Pemda Siak aid program. The area of the claim according to Map of the Peat Restoration Agency (BRG) includes peat forest areas categorized as Protected Area of Peat Ecosystem (Kaflex). In regarding to exercising flow control over the Mandiangin River, PT Riau Abadi Lestari cannot implement such a program as it falls under the government domain, both local and central government. However, if such a program were to be put into effect, PT Riau Abadi Lestari would be ready to support it.

The audit team also gathered information from the mass media about PT Riau Abadi Lestari, such items being considered material in the audit process implemented by PT. AJA Sertifikasi Indonesia.

PT Riau Abadi Lestari has identified all the necessary requirements for this certification process, from the legal aspect and compliance with international regulations or conventions. The established management system includes all field activities for certification, where the area registered for certification is 12,000 Ha.

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

Based on the result of the Stage 2 Audit of PT. Riau Abadi Lestari no Non-Conformities were identified by the Audit Team.

**Conditions under which the certificate is issued**

Certificate is valid until 11/03/2021