

Public Report Sustainable Forest Management System

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CLIENT NAME: PT RIMBA HUTANI MAS

TOTAL HECTARES: 35,814.20
ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 35,814.20 hectares of Plantation Forest in Jambi Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 2

AUDIT START DATE: February 18, 2020
 AUDIT END DATE: February 21, 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

LEAD AUDITOR: Andri Wibisono

SIGNATURE:

AUDIT TEAM: Riyadi Sigit Pamungkas

SIGNATURE:

Warsito

SIGNATURE:

MAJOR CARS : 0

MINOR CARS : 5

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
HO PT Rimba Hutani Mas	Muaro Jambi Regency, Tanjung Jabung Barat District, Jambi Province, Republic of Indonesia	February 18, 2020
Block Sei Dasal	Muaro Jambi Regency, Tanjung Jabung Barat District, Jambi Province, Republic of Indonesia	February 19, 2020
Block Danau Bangko	Muaro Jambi Regency, Tanjung Jabung Barat District, Jambi Province, Republic of Indonesia	February 20 to 21, 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	
Block Taman Raja	Muaro Jambi Regency, Tanjung Jabung Barat District, Jambi Province, Republic of Indonesia	

Brief Description of the concession

PT Rimba Hutani Mas received a definitive permit based on Minister of Forestry Decree No. 167 / Kpts-II / 1998 dated February 26, 1998, concerning the granting of HPHTIs to PT Rimba Hutani Mas over an area of 51,260 hectares of forest in Jambi Province. The silvicultural system according to this permit is TPTJ (Selective Cutting and Line Planting) covering 37,220 ha and THPB (Clear Cutting with Artificial Regeneration) covering 14,040 ha.

Permission was frozen through Minister of Forestry Decree No. 10325 / Kpts-II / 2002 dated 30 December 2002 concerning the Revocation of Minister of Forestry Decree No. 167 / Kpts / II / 1998 dated February 26, 1998. PT. Rimba Hutani Mas was reinstated through Minister of Forestry Decree No. SK.68 / Menhut-II / 2004 concerning Re-Enactment of Minister of Forestry Decree No. 167 / Kpts-II / 1998 concerning Provision of HPHTI To PT. Rimba Hutani Mas over 51,260 ha of Forest Area in Jambi Province.

The boundary arrangement has been determined by Minister of Forestry Decree No. SK 689 / MENHUT-II / 2010, dated December 13, 2010 concerning the determination of the working area of the Business Permit for Timber Utilization in PT. Rimba Hutani Mas covering an area of 35,814.20 ha in the District of Tanjung Jabung Barat, Muaro Jambi Regency, and Batanghari Regency, Jambi Province.

In forest management operations based on the RKUPHHK-HTI document (Work Plan for Utilization of Timber Forest Products) in Industrial Plantation Forest, which is approved based on the Decree of the Minister of Environment and Forestry Number SK.6144 / MenLHK-PHPL / UHP / HPL.1 / 11/2017 dated November 14, 2017 concerning Approval of Business Plan for Utilization of Timber Forest Plantation Forest Products (RKUPHHK-HTI) for 2017 to 2026, within the Framework of Improving Peat Governance on behalf of PT Rimba Hutani Mas in Jambi Province.

Short-term planning made by RKT UPHHK-HTI (Annual Work Plan for Utilization of Timber Forest Products in Industrial Timber Forests). RKT UPHHK-HTI 2020 approved by Decree of the President Director of PT Rimba Hutani Mas No. 011 / RHM / SK RKT / 2019, dated December 27, 2019 concerning the ratification of the Annual Work Plan for Utilization of Timber Forest Plantation (RKT UPHHK-HTI) in 2020, PT Rimba Hutani Mas in Jambi province.

Spatial Planning of PT Rimba Hutani Mas based on RKUPHHK-HTI for 2017 to 2026: Area of Peat Ecosystem Protection Function of 291 ha (0.81%), Local Protection Area and Other Protected Area of 8,141 ha (22.73%), Staple Plant Area of 20,411 ha (56.99%), Livelihood Plant Area of 6,971 ha (19.46%); total % of 99.99% due to rounding.

There were conversions of natural forest to plantation forest after December 31, 2010 covering an area of 31.9 hectares. Based on the RKUPHHK-HTI, which was ratified by the Decree of the Minister of Environment and Forestry Number SK.6144 / MenLHK-PHPL / UHP / HPL.1 / 11/2017 dated November 14, 2017, the area of the conversion is the spatial status of the Protected Area (Wildlife Conservation Area). Thus, it is not for production but has a protective function. The condition of the two plots is naturally regenerated, and it is therefore recommended that it be included in the scope of certification. So that the area of the certified area will be 35,814.20 ha.

An overview of the location of work areas based on geographical location, location of government administration, is presented in the following table:

Description	Block		
	Sei Dasal	Danau Bangko	Taman Raja
Area (ha)	9,975.2	16,640	9,199
Geographical Location	1° 11' 25" to 1° 17' 06" South and 103° 11' 35" to 103° 28' 10" East	1° 19' 58" to 1° 32' 13" South and 103° 12' 43" to 103° 21' 49" East	1° 05' 07" to 1° 15' 20" South and 102° 51' 08" to 102° 57' 30" East
Government Administration	Regency of Tanjung Jabung Barat and Muaro Jambi	Regency of Muaro Jambi and Batanghari	Regency of Tanjung Jabung Barat
Forest Group	River of Betara Ulu and Tapah	River of Danau Bangko and Air Hitam	River of Asam, Tantang, and Pengabuan Hulu
Plant Species	<i>Acacia Sp</i> <i>Eucalyptus Sp</i>	<i>Acacia Sp</i> <i>Eucalyptus Sp</i>	Forest Conservation Program

Topography of PT Rimba Hutani Mas based on data from Reports on Environmental Management Plans and Environmental Monitoring Plans is: Flat 0 - 8%: 11,361.20 ha, Sloping 8-15%: 9,709 ha, Slight Steep 15-25%: 10,695 ha, Steep 25 - 40%: 2,090 ha, Very Steep > 40%: 1,959 ha. The height of the concession is between 40 to 1,500 meters above sea level. Soil type: Alluvial, Gleisol, Kambisol, Oxisol, Podsollic.

Plant species cultivated are *Acacia mangium*, *Acacia crassicarpa*, and *Eucalyptus* sp.

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

The Management Unit of PT Rimba Hutani Mas has reported on the Results of the Identification of the Rights of Indigenous Peoples, which was carried out in 2018. Based on this report, there were no indigenous peoples, the local community being of Malay ethnicity.

Administratively, the concession area of PT Rimba Hutani Mas is included in 18 villages and 11 districts spread in three (3) Regencies, namely: Tanjung Jabung Barat Regency (7 districts, 11 villages), Batanghari Regency (3 districts, 6 villages), Muaro Jambi Regency (1 district, 1 village).

The Management Unit cooperates in forest management with the community in the form of rubber plants as livelihood plants, utilization of Non-Timber Forest Products (HHBK) in the form of honey, and the Desa Makmur Peduli Api (DMPA) program.

The Management Unit has procedures for resolving land conflicts and has created conflict mapping and resolution documents and the development of conflict resolution. A report on the identification of land conflicts with the community was carried out in 2019, which was submitted to the Head of the Jambi Provincial Forestry Office on December 27, 2019 with a map of conflict mapping.

PT Rimba Hutani Mas has a 2019 CD / CSR program planning document covering the fields of: economy, education, social/ cultural, and infrastructure. Based on the report on the realization of the CD / CSR program in 2019 the program was realized in the form of activities:

- a. The education aspect is in the form of assistance with teachers' fees and scholarships.
- b. Socio-cultural aspects of material assistance for mosques and churches, MTQ funding assistance, donations of the Qur'an.
- c. Infrastructure aspects in the form of wellbore facilities, solar cells, material assistance (cement, gravel, etc.).

The realization of the Desa Makmur Peduli Api (DMPA) program in 2019, which was realized for the people in the form of horticultural seedlings and composting. Based on field visits at the compost assistance site, assistance was provided in the form of compost processing equipment, 1 unit of warehouse / building mixing media and office, 32 goats, 10 sheep, 7 cows, 180 guava crystals, 1,000 peppers and 8,000 sticks of coffee.

Description of the ecological conditions of the concession

PT Rimba Hutani Mas carries out management and environmental monitoring on a periodic basis, the results of which are reported to the relevant government agencies. The components are managed and monitored in terms of the physical, chemical, biological and social economic components of the concession. Physical/ chemical components include microclimate, air quality, physical properties such as soil fertility, soil erosion, river discharge, sedimentation, water quality and fire hazard. Biological components include forest protection and stabilization, stands, forest products, NTFPs, indigenous forest plants, animal protected and range, pests and diseases, and aquatic data. The social economic and cultural components of society, meanwhile, include pattern of land use and business / land issues, job opportunities, business opportunities and income, education, health and community perception.

PT Rimba Hutani Mas has optimized the use of forest resources according to prepared micro-planning design, which includes a compliance harvesting progress checklist. The Management Unit has designed technical standards for efficient and good harvesting in environmental interests. In order to meet the standards and quality and quantity of logging, the Management Unit pays attention to the following matters: a) optimal production, b) clean areas after harvesting, and c) implementation of Reduced Impact Logging (RIL).

These plots are bordered by protected areas, conservation areas, near river borders or water catchment areas, graves, beehive enclosures and other areas that are protected from logging/encroachment. These include plots with protected tree species and those that are in conflict.

PT Rimba Hutani Mas has also identified areas that function for land protection and those that function to protect against water, acting as water supply or flood control for downstream areas. PT Rimba Hutani Mas has also identified protected and endangered species in the concession area. Fauna include: Sumatran tiger (*Panthera tigris sumatrae*); sambar deer (*Cervus unicolor*); red muntjac deer (*Muntiacus muntjak*), tapir (*Tapirus indicus*); agile gibbon (*Hylobates agilis*); sun bear (*Helarctos malayanus*) and great argus (*Argusianus argus*). Meanwhile, the types of flora include: Sumatran palaquium (*Palaquium sumatrans*), keruing (*Dipterocarpus crinitus* and *D. gracilis*), jelutung (*Dyera costulata*), meranti (*Parashorea apter*, *P. lucida*, *Shoreaconica*, *S. leprosula*, *S. platycarpadan* *S. seminis*.)

PT Rimba Hutani Mas has also made instructions for temporary storage sites (TPS) for the hazardous and toxic waste (B3), as well as work instructions for the spraying of pesticides, safety in labeling of containers and information on B3 waste. The Management Unit has also prepared communication media related to materials and B3 waste, which are placed in four locations for the information of all employees.

PT Rimba Hutani Mas has implemented measures for the prevention and mitigation of forest fires and land within its working area. These include the construction of monitoring posts on each block, together with installation of warning boards, and conducting of regular patrols to avert fire hazards. The Management Unit has also made equipment available and trained personnel to counter and forest or land fire that may occur.

Results of the Public Consultation

Prior to performing the Surveillance 2 Audit, PT AJA Sertifikasi Indonesia conducted Public Consultation commencing January 22, 2020, asking stakeholders to provide feedback and information on PT Rimba Hutani Mas. The public consultation was uploaded to the website of PT AJA Sertifikasi Indonesia (www.ajaindonesia.com), sent to related parties via email and / or postal mail, and announced in local newspapers.

PT AJA Sertifikasi Indonesia received no input from stakeholders during the public consultation. The audit team also gathered information from the mass media about PT Rimba Hutani Mas, such reported cases being considered as a material part of the audit process carried out by PT AJA Sertifikasi Indonesia.

PT Rimba Hutani Mas has identified all necessary requirements for this certification process, comprising legal aspects that include compliance with international rules or conventions. The established management system includes all field activities for certification, where the area registered for certification is 35,814.20 ha.

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 identified five (5) minor Non-Conformities (NC), as follows:

No	Non-Conformities	Corrective Action Performed	Category
1	PT Rimba Hutani Mas has carried out the maintenance and security of the work area boundaries, but has not submitted a report on the results of these to the authorities as required. Indicator I.1.2	<ul style="list-style-type: none"> - Ensure that maintenance and safeguard activities in the boundaries of the work area are maintained and monitored - Ensure the work plan / action plan reporting process is carried out - Ensure reports are sent to the requisite authorities. 	Minor
2	PT Rimba Hutani Mas as the owner of the concession has not yet carried out the management of hazardous and toxic waste (B3) properly. This was seen by the contractor still	<ul style="list-style-type: none"> - Re-socialize the procedure for transport of B3 to all Rimba Hutani Mas contractors. - Ensure the MoU made between PT Rimba Hutani Mas and third parties 	Minor

	<p>carrying out the delivery of B3 waste to Jambi without using the service of the transporter that had been registered by the Ministry of Environment.</p> <p>Indicator I.6.6</p>	<p>in regard the handling and management of B3 waste is implemented</p> <ul style="list-style-type: none"> - Ensure and demonstrate collection of hazardous waste involves only licensed third parties 	
3	<p>Two contracting partners failed to demonstrate ownership of a heavy equipment operation license (SILO), and there are still heavy equipment operators that do not yet have an operator's license (SIO).</p> <p>Indicator I.1.13</p>	<ul style="list-style-type: none"> - Monitor and update the data of heavy equipment and operators who work for all contractors - Carry out social-based scaling out of the Collaborative Work Agreement that contains the rights and obligations of the parties - Ensure that all equipment and operators cooperating with PT Rimba Hutani Mas have SIO and SILO 	Minor
4	<p>Still found that APAR was not yet installed in all employee housing and contractor housing.</p> <p>Indicator I.12.2</p>	<ul style="list-style-type: none"> - Ensure the availability of APAR in all buildings and settlements, both in terms of workforce, employees and contractors to minimize the occurrence of fire. - Monitor each time APAR is available and installed 	Minor
5	<p>Based on field visits to the housing of employees (single employees) and contractors (Nias daily housing), there was still a mixture of organic, inorganic and LB3 waste, and rubbish was still found around the housing. It is necessary to increase the number of trash bins (organic and inorganic) as well as increase the awareness of the occupants so that the waste can be managed according to the procedures</p> <p>Indicator I.12.6</p>	<ul style="list-style-type: none"> - Re-socialization of management of organic, inorganic and LB3 waste and keeping the environment clean - Ensure the waste management and LB3 are carried out according to procedures by periodic motoring - Ensuring the availability of waste bins is in accordance with requirements 	Minor

Conditions under which the certificate is issued

Certificate is valid until (March 15, 2021), provided that PT (Rimba Hutani Mas) 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 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.