

Public Report Sustainable Forest Management System

Ownership of this report and the information contained within remain the property of
AJA Europe





CLIENT NAME: PT SUMATERA RIANG LESTARI BLOK I SEI KEBARO

TOTAL HECTARES: 25,320 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 25,320 hectares of Plantation Forest in North Sumatra Province

STANDARD / CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

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

AUDIT START DATE: February 22, 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: February 25, 2021

LEAD AUDITOR : Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Amin Kadeni

SIGNATURE:

Agung Utama Lubis

SIGNATURE:

MAJOR CARS: -

MINOR CARS: -

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Sumatera Riang Lestari Blok I Sei Kebaro	Torganda District, Labuhan Batu Selatan District and Simangabat District, North Padang Lawas Regency, North Sumatra Province – Republic of Indonesia	February 22 to 25, 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

The working area of PT Sumatera Riang Lestari Blok I Sei Kebaro based on Decree No. 208/Menhut-II/2007 dated May 25, 2007 is 25,320 ha. There has been no conversion of natural forest to plantation forest since December 31, 2010, thus the scope of IFCC certification is 25,320 ha.

The Management Unit has a long-term plan, namely the Revision of the Business Work Plan for the Utilization of Timber Forest Products in Industrial Forest (RKUPHHK-HTI) which is legalized based on the Decree of the Minister of Environment and Forestry Decree No. 6054/MenLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019. The spatial layout consists of Local Protected Areas and Other Protected Areas of 5,119 ha (20.22%), Staple Plant Area of 15,129 ha (59.75%) and Livelihood Plant Area of 5,072 ha (20.03%).

PT Sumatera Riang Lestari Blok I Sei Kebaro is located between 01° 26' 08" to 01° 10' 37" North and 100° 11' 26" to 100° 23' 57" East and forms part of the Kebaro River Forest Group. Based on government administration, the concession is located in Kosik Putih Village, Simangambat District, North Padang Lawas Regency, and Sei Meranti Village and Torganda Village, Torgamba District, South Labuhan Batu Regency, North Sumatra Province. The concession is surrounded by other companies as follows:

- North side: PTPN III Bukit Tujuh, PTPN III Sei Meranti, PT Torganda
- East side: PT Sinar Belantara Indah
- South side: PT Torganda and Community Land
- West side: PT Torganda

The land condition is dry with flat topography (0-8%) of 20,631 ha and sloping land (08-15%) of 4,689 ha at an altitude of 75 to 280 meters above sea level. Soil types consist of Podsolc of 2,921 ha, Podsolc-Gleisol-regosol Association of 975 ha, the Podsolc-Gleisol Association of 16,554 ha and the Gleisol-Kambisal-Alluvial Association of 4,870 ha. The geological formation consisting of alluvium and volcanic rocks. The river in the area is Daun River Basin (DAS), with the main rivers being the Bagan Kundur, Bagan Titirah, Hitam River and Kebaro rivers.

The types of plants cultivated are *Eucalyptus* sp and *Acacia crassicarpa*.

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

Based on the RKUPHHK-HTI document, the total population of the surrounding villages is 26,627 people. The livelihoods of the population consist of agriculture, plantation, processing and trade. The distances from the villages to the concession are about 1.2 km to 3.5 km. The people living in the vicinity of the company's concession are local people, there being no customary communities per government definition.

PT Sumatera Riang Lestari Blok I Sei Kebaro has made resolution efforts on conflict with the surrounding community. Based on the Report on the Identification and Settlement of PT Sumatera Riang Lestari Sei Kebaro Claim Area of February 2021, there were two land claims that have been settled, the settlement process involving the forestry service, police, and local government. There is a Report on Potential Mapping and Conflict Resolution of PT Sumatera Riang Lestari Blok I Sei Kebaro, based on which the conflict status was at a score of 45% or low.

Based on the results of audits from previous year, there was cooperation between the company and the surrounding village community for livelihood plants. Apart from cooperation on livelihood plants, there is also cooperation in the management of non-timber forest products in the form of rattan for making handicrafts. The company accommodates and helps market the rattan handicrafts produced by the community around the concession. However, based on interviews with company staff, the obstacle currently being experienced is that the potential for existing rattan has decreased, the only rattan remaining being of a small size.

PT Sumatera Riang Lestari Blok I Sei Kebaro has implemented a corporate social responsibility program for the surrounding community. There is a 2020 Community Development Program Implementation Report with activities in the fields of education, health, religion, economy, social and environment, infrastructure and infrastructure, plus assistance with the response to the COVID-19 pandemic.

Description of the ecological conditions of the concession

The Management Unit has carried out Management of Forest Ecosystem and Hydrological Functions, including identification of forest management activities with significant impacts, and conducting environmental impact assessments. There was the implementation of environmental management and monitoring for semester I and II of 2020.

- Reduced Impact Logging activity is carried out in stages: before harvesting activities (pre-harvesting), during harvesting operations, and after logging activities (post-harvesting)
- Identification of areas that function for land and water protection and are designated as Local Protection Area and Other Protected Areas, namely Riparian Areas of 4,765 ha (18.82%) and 354 ha (1.40%) of KPPN / KPSL.
- Monitoring of negative impacts of forest management activities in the concession area is carried out in accordance with the Environmental Evaluation Document, 2020, which contains documented procedures for Monitoring Protected Areas, for Monitoring of Discharge and Water Quality, and for Erosion Monitoring SOP.
- The Management Unit has carried out Biodiversity Management activities that include identification and inventory of protected, endemic, rare and threatened / endangered flora & fauna in the concession areas, the latest results of which can be found in the RKL / RPL Semester I and II 2020 reports.
- While there is a distribution map of the protected flora and fauna, including their habitats and migration patterns, based on the identification, there are no key species in the area.
- The staple plant species cultivated are not a genetically modified tree species, being *Eucalyptus* sp. and *Acacia crassicarpa*.

The Management Unit has carried out forest protection activities, whether due to human or natural causes:

- Identify and monitor disturbances in Sustainable Forest Management, the latest results being found in the RKL / RPL reports for the first and second semester of 2020.
- Has a documented procedure to prevent and manage pest attacks, utilizing manual, biological and chemical methods as deemed most suitable.
- Besides having documented procedures for integrated pest and disease management, it also employs them for weed control and handling spills of fuel, lubricants and chemicals, as well as for the management of hazardous and toxic waste (B3).
- Implements forest protection measures against fire hazards.
- There are no livestock grazing activities by the community in the work area.
- The Management Unit has implemented appropriate / measurable steps in forest protection activities.

Results of the Public Consultation

Prior to undertaking the Additional Surveillance Audit, PT AJA Sertifikasi Indonesia conducted Public Consultation commencing February 1, 2021, which asked stakeholders to provide feedback and information on PT. Sumatera Riang Lestari Blok I Sei Kebaro. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (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 collected information from the mass media about PT. Sumatera Riang Lestari Blok I Sei Kebaro, such reported cases being given material consideration in the audit process conducted by PT. AJA Sertifikasi Indonesia.

PT. Sumatera Riang Lestari Blok I Sei Kebaro has identified all the necessary requirements for this certification process,



comprising legal aspects that include compliance with international regulations and conventions. The established management system includes all field activities for certification, which is registered for an area of 25,320 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 the Additional Surveillance Audit of PT Sumatera Riang Lestari Blok I Sei Kebaro, no Non-Conformities (NC) of either a Major or Minor nature were identified by the audit team. No critical issues were identified.

Conditions under which the certificate is issued

Certificate is valid until April 19, 2022, provided that PT Sumatera Riang Lestari Blok I Sei Kebaro maintains its surveillance schedule and does not have any major non-conformities at the time of the next recertification visit.