

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT Sumatera Riang Lestari Blok I Sei Kebaro

TOTAL HECTARES: 25,184 Ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 25,184 Hectares of Plantation Forest in North Sumatra Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Transition to IFCC ST 1001:2021 + Surveillance 2

AUDIT START DATE: February 20, 2024

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 23, 2024

LEAD AUDITOR: R Sigit Pamungkas

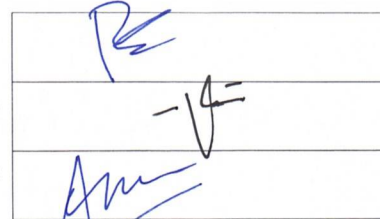
SIGNATURE:

AUDIT TEAM: Amin Kadeni

SIGNATURE:

Agung Utama Lubis

SIGNATURE:



MAJOR CARs: 0

MINOR CARs: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED including countries	DATE OF EACH SITE VISIT:
Head office	Jl. Sei Duku No. 333, Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru, 28143, Riau Provinsi, Indonesia	February 20, 2024
Site	Blok I Sei Kebaro - Kabupaten Labuhan Batu Selatan, Kecamatan Torgamba dan Kabupaten Padang Lawas Utara, Kecamatan Simangambat, Sumatera Utara, Indonesia	February 21 to 23, 2024
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	
NA		

Brief Description of the concession

PT Sumatera Riang Lestari Blok I Sei Kebaro obtain its latest Forest Utilization Business Permit based on the Decree of the Minister of Environment and Forestry of the Republic of Indonesia Number: SK.645/MENLHK/SETJEN/HPL.2/6/2022 dated 22 June 2022. The working area is 25,184 Ha. In this decree the IUPHHK-HT nomenclature becomes PBPH (Forest Utilization Business Permit). In the work area of PT Sumatera Riang Lestari Block I Sei Kebaro is no conversion above December 31, 2010. The entire work area is certified by IFCC.

Organization carries out forest management operations based on the RKUPH document which was ratified based on the Decree of the Minister of Environment and Forestry Number: SK.6479/MenLHK-PHL/PUPH/HPL.1/8/2022 dated 12 August 2022 concerning The Approval of Forest Utilization Business Work Plan (RKUPH) for the period of 2017 to 2026.

Geographically, the location of the work area is 01° 26' 08" to 01° 10' 37" North and 100° 11' 26" to 100° 23' 57" East. Based on the forest group, it is in the Kebaro River Forest Group. It is part of Kosik Putih Village, Simangambat District, North Padang Lawas Regency, and Sei Meranti Village and Torganda Village, Torgamba District, South Labuhan Batu Regency. Boundaries of the work area are:

- 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 condition of the land is dry with flat topography (0-8%) of 20,631 (97%) and sloping (08-15%) of 4,689 ha (3%). The height of the place is 75 m - 280 m above sea level. Soil consists of Podsolik of 2,921 ha, Podsolik-Gleisol-Regosol Association of 975 ha, Podsolik-Gleisol Association of 16,554 ha and Gleisol-Cambisal-Alluvial Association of 4,870 ha. The geological formation consists of 3,894 ha of Alluvium and 21,424 ha of Volcanic Rock. The hydrological conditions are in the form of the Daun River Watershed (DAS), with the main rivers being the Bagan Kundur River, Bagan Titirah, Hitam River and Kebaro River. The types of plants cultivated are *Eucalyptus* sp, *Acacia mangium*.

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

There are seven villages around the work area which spread across two regencies in two provinces, namely North Sumatra Province and Riau Province. The livelihoods of residents around the concession are dominated by the livelihoods of farmers and labourers.

PT Sumatera Riang Lestari Blok I Sei Kebaro has a complaint resolution mechanism in the process of resolving disputes related to land control with the community and working conditions. Based on the Potential Mapping and Conflict Resolution report for Semester II 2023, the conflict status is controlled. The claimed lands have been handled by the court and the status are final with prejudice.

The organization have Livelihood Plant Cooperation Agreement with three villages. The agreement is valid since 2013 and during the concession permit period. PT Sumatera Riang Lestari Blok I Sei Kebaro has built a local forestry-based economy and has provided employment opportunities to the local community. There are aids in some sectors, such as assistance for kindergarten, assistance with desks and chairs for high school, building material assistance for some worship building, assistance in duck cultivation, assistance for sports equipment to the village youth, etc.

According to Manpower Data for January 2024, 61% of the total of workers at PT Sumatera Riang Lestari Blok I Sei Kebaro are local workers. Based on the List of Contractor Workers for January 2024, the number of contractor workers is more than 200 people where 90% are local workers. These information is confirmed by a village staff that there are

quite a lot of local residents who work at the company, including as foremen, assistants, and mostly contractors and daily workers.

Description of the Ecological conditions of the concession

PT Sumatera Riang Lestari Blok Sei Kebaro Block has identified forest management activities that have important impacts and carried out environmental impact assessments. It has carried out environmentally friendly harvesting activities (Reduced Impact Logging). Several SOPs/Procedures of the organization have regulated the implementation of RIL properly and correctly.

The Organization has identified key species within the concession area. Based on the identification results contained in the RKL and RPL documents, sumatran elephant (*Elephas maximus sumatrensis*) is a key species. The organization has carried out mapping of the distribution of the key species. There was a presence of one endemic animal species in Sumatra namely the Sumatran Pond kongkang (*Chalcorana parvaccola*) which has Least Concern (LC) status or low risk based on the IUCN Red List.

PT Sumatera Riang Lestari Blok Sei Kebaro has carried out monitoring of the impact of forest management activities on the environment referring to the RPL. Impact monitoring activities on physical and biological environmental conditions are carried out periodically, including condition of vegetation cover in protected areas, density and diversity of vegetation in protected areas and production areas, types and diversity of wildlife in protected areas, presence of wild animals in the production area, pest attacks and plant diseases, forest protection, including monitoring forest fires, encroachment, illegal logging, etc.

PT Sumatera Riang Lestari Blok Sei Kebaro has identified possible disturbances to forest resources in its work area. The organization also carries out infrastructure development and preparation of human resources to handle the disturbances identified.

Results of the Public Consultation

Prior to carrying out the Transition to IFCC ST 1001:2021 + Surveillance 2 Audit, PT Acube TIC International conducted a public consultation starting January 15, 2024, asking stakeholders to provide feedback and information about the PT Sumatera Riang Lestari Blok Sei Kebaro. The public consultation was uploaded to the PT Acube TIC International website (www.ajaindonesia.com), sent to parties by e-mail or postal mail, and published in local newspapers. There was no input during public consultation period.

The audit team also collected information from the mass media about the PT Sumatera Riang Lestari Blok Sei Kebaro. The reported cases are considered as part of the PT Acube TIC International audit process.

The Organization has identified all the necessary requirements for this certification process, which consist of legal aspects which include compliance with international rules and regulations and conventions. A management system has been developed to cover all activities in the area of certification, registered for a total of 25,184 hectares.

Organization progress record related to corrective action on findings of nonconformities in previous audit

The results of Surveillance 1 Audit were no non-conformities. The management system operates effectively.

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

The results of Transition to IFCC ST 1001:2021 + Surveillance 2 Audit were no non-conformities. The management system operates effectively.



Conditions under which the certificate is issued

Certificate number AJA/IFCC-PEFC/FMC-HT/00004/IV/2015 is valid until April 18, 2025, provided that PT Sumatera Riang Lestari Blok Sei Kebaro 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 Recertification visit. If the non-conformities are not closed at the next Recertification, the certificate will be suspended until such time as AJA EUROPE is able to perform a closeout visit.