

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: Recertification

AUDIT START DATE: 19 February 2025

AUDIT END DATE: 22 February 2025

In signing this document, the Audit team confirms that they have had no involvement with the Organization 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: Ence Hedi Hasan Zubaedi

SIGNATURE:

Abdul Salam

SIGNATURE:

WITNESSING EVALUATOR //
/TRANSLATOR (if any):

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	19 February 2025
Site	Blok I Sei Kebaro - Kabupaten Labuhan Batu Selatan, Kecamatan Torgamba dan Kabupaten Padang Lawas Utara, Kecamatan Simangambat, Sumatera Utara, Indonesia	20 - 22 February 2025
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	

Brief Description of the concession

PT Sumatera Riang Lestari Blok I Sei Kebaro obtained a 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 June 22, 2022 concerning the fourth amendment to the Decree of the Minister of Forestry No. SK.262/Menhut-II/2004 dated July 21, 2022 concerning the granting of a business permit for the utilization of timber forest products (IUPHHK) in plantation forests to PT Sumatera Sinar Plywood Industry for a forest area of 65,000 Ha (sixty five thousand) hectares in the province of North Sumatra. The area of PT Sumatera Riang Lestari is 173,971 Ha. The working area of PT Sumatera Riang Lestari Blok I Sei Kebaro is 25,184 Ha. In this Decree, the nomenclature of IUPHHK-HT becomes PBPH (Forest Utilization Business Permit). No natural forest was converted after December 31, 2010, making the entire 25,184 hectares PBPH area certified.

PT Sumatera Riang Lestari Blok I Sei Kebaro carries out forest management operations based on the RKUPH document which was approved by the Decree of the Minister of Environment and Forestry Number: SK.6479/MenLHK-PHL/PUPH/HPL.1/8/2022 dated August 12, 2022 concerning the Approval of the Forest Utilization Work Plan (RKUPH) for the period 2017-2026 on behalf of PT Sumatera Riang Lestari in North Sumatra Province and Riau Province. According to the document, the spatial planning consists of a Protected Area of 6,152 ha (24.43%), and a Cultivation Area of 19,032 ha (75.57%).

Based on identification results, a portion of the PBPH area was classified as a Non-Forest Cultivation Area, with oil palm plantations covering overlapping land with a palm oil company and a claimed area by the local community. However, this area remains under the management of PBPH PT Sumatera Riang Lestari Blok I Sei Kebaro. According to the Circular from the Indonesian Forestry Certification Cooperation (IFCC) Management Board Number 001/KSK/SE-BP/VIII/2024, the status of the work area remains unchanged. As stated in the official decree (SK), the total estate covers 25,184 hectares, the forest area is 25,184 hectares and fully certified (25.184 ha).

Geographically, the estate falls within the Kebaro River Forest Group. Administratively, it is located in Kosik Putih Village, Simangabat District, North Padang Lawas Regency, and in Sei Meranti Village and Torganda Village, Torgamba District, South Labuhan Batu Regency. The boundaries of the working area are defined as follows: to the north, it borders PTPN III Bukit Tujuh, PTPN III Sei Meranti, and PT Torganda; to the east, it borders PT Sinar Belantara Indah; to the south, it borders PT Torganda and community lands; and to the west, it borders PT Torganda.

The terrain consists mostly of dry land with flat topography (0–8%) covering 20,631 hectares (97%) and sloping land (8–15%) covering 4,689 hectares (3%). The altitude ranges between 75 and 280 meters above sea level. The soil types include Podsolc (2,921 ha), a Podsolc-Gleysol-Regosol association (975 ha), a Podsolc-Gleysol association (16,554 ha), and a Gleysol-Kambisol-Alluvial association (4,870 ha). Geologically, the area includes 3,894 hectares of alluvial formations and 21,424 hectares of volcanic rock. Hydrologically, it lies within the Daun River Basin (DAS), with main rivers including the Bagan Kundur, Bagan Titirah, Hitam, and Kebaro Rivers. The cultivated plant species include *Eucalyptus* sp., *Acacia crassicaarpa*, *Swietenia mahagoni*, *Gmelina arborea*, and *Peronema canescens*, with the latter three species being more than seven years old.

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

The community surrounding PT Sumatera Riang Lestari Blok I Sei Kebaro primarily consists of local Batak people along with immigrant groups from Java and Nias. There are no indigenous communities identified within or near the Organization's operational area. The majority of residents earn their livelihoods through oil palm farming, working for oil palm companies, or running small businesses.

To support the surrounding communities, PT Sumatera Riang Lestari has implemented a Corporate Social Responsibility (CSR) program that covers various sectors, including education, health, religion, economy, infrastructure, and the social and environmental fields. These initiatives are part of the Organization's broader community development efforts aimed at improving the quality of life for local residents.

Generally, community members submit formal proposals for assistance to the Organization, and these proposals must be acknowledged by the Village Head. This process ensures transparency and coordination with local authorities in identifying and prioritizing community needs.

In addition to the formal proposal system, the Organization also responds to urgent verbal requests, particularly those conveyed through its Public Relations team. One example of such direct support includes the use of company heavy equipment to help repair village roads, showing the Organization's willingness to assist quickly in matters of immediate concern to the community.

Description of the Ecological conditions of the concession

PT Sumatera Riang Lestari Blok I Sei Kabaro has recognized the environmental impacts of its forest management activities and undertaken assessments to address them. This includes the preparation of the AMDAL main report and related RKL-RPL documents, approved in March 2001 by the Ministry of Forestry.

To minimize the environmental footprint of logging, the Organization has implemented Reduced Impact Logging (RIL) practices guided by established SOPs. These procedures take into account local ecosystem types and hydrological conditions. Efforts include micro planning for cutting direction and equipment routes, marking critical areas along planned roads, using forest residue for traction, and promptly replanting after operations. Maintenance of drainage channels and mitigation of erosion risks are also part of their sustainable harvesting strategy.

In addition to responsible logging practices, the Organization has actively managed hazardous waste (B3), under a permit issued in 2018 by the South Labuhanbatu Regency, which was valid for five years. The Organization also identified key species in the region, notably the Sumatran elephant, indicating a commitment to biodiversity protection. Swamps, riverbanks, and natural forest ecosystems have been inventoried and mapped, and these areas have been designated as conservation zones where logging is prohibited.

Further, The Organization has identified potential threats such as forest fires, illegal logging, crop diseases, and encroachment. To strengthen conservation, the Organization conducted an integrated High Conservation Value (HCV) and High Carbon Stock (HCS) assessment for areas shared with PT Sinar Belantara Indah, covering 30,517 ha. Located in Torgamba and Simangambat districts of North Sumatra, the area has been divided into conservation zones and production areas. Of the total, 4,867 ha are reserved for protection, while the rest is allocated to effective and ineffective production zones.

Results of the Public Consultation

Prior to carrying out the Recertification Audit, PT Acube TIC International conducted a public consultation starting January 16, 2025, asking stakeholders to provide feedback and information about the PT Sumatera Riang Lestari Blok I 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 Transition to IFCC ST 1001:2021 + Surveillance 2 Audit were no non-conformities.

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

The results of Recertification 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 19, 2028, provided that PT Sumatera Riang Lestari Blok Sei Kebaro maintains its Surveillance schedule and does not have potential major non-conformities at the next Surveillance.