

Public Report Sustainable Forest Management System

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ORGANIZATION NAME: PT Harapanjaya Makmur Lestari

TOTAL HECTARES: 5,086.44

SCOPE OF REGISTRATION: Sustainable Forest Management of 5,086.44 Hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & ORGANIZATION DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 1

AUDIT START DATE: 23 April 2026

AUDIT END DATE: 26 April 2026

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: Ardi Prasetyo

SIGNATURE:

Abdul Salam

SIGNATURE:

**WITNESSING AUDITOR/
TRANSLATOR (if any):** //

SIGNATURE: //

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF ORGANIZATION SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Site	Kecamatan Pelalawan dan Kecamatan Teluk Meranti, Kabupaten Pelalawan, Provinsi Riau, Indonesia	23-25 April 2026
Head office	Jl. Sei Duku No. 333 Kelurahan Tanjung Rhu, Kecamatan Lima Puluh, Pekanbaru, 28142, Riau Province, Indonesia	26 April 2026
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 Harapanjaya Makmur Lestari has several regulations that have been updated since its inception, namely:

1. Pelalawan Regent's Decree No. 522.21/IUPHHKHTI/I/2003/016 dated January 31, 2003, concerning the Granting of a Business Permit for the Utilization of Timber Forest Products from Plantation Forests to CV Harapanjaya covering an area of 4,800 hectares in Pelalawan Regency.
2. Decree of the Head of the Pelalawan Regency Investment and One-Stop Integrated Service Office No. 504/DPMPSTP-P3NP/V/2017/02 dated May 24, 2017, concerning amendments to Decree No. 522.21/IUPHHKHTI/I/2003/016.
3. Decree of the Minister of Environment and Forestry Number 205/Menlhk/Setjen/HPL.0/5/2021 dated May 5, 2021, concerning the Determination of the Forest Utilization Business Permit Work Area for PT Harapanjaya Makmur Lestari's 5,086.44 hectares of Production Forest in Pelalawan Regency, Riau Province.
4. Decree of the Minister of Environment and Forestry Number 807/Menlhk/Setjen/HPL.0/9/2021 dated September 21, 2021, changing the nomenclature of IUPHHK-HTI to PBPH (Forest Utilization Business Permit).

In PT Harapanjaya Makmur Lestari's work area, there was no conversion of natural forest to plantation forest after December 31, 2010. Identification results also indicate no claim areas or non-cultivated areas within the organization's concession. Referring to the IFCC Management Board Circular Letter No. 001/KSK/SE-BP/VIII/2024 dated August 1, 2024, concerning the Determination of Certification Areas, the area of PT Harapanjaya Makmur Lestari is as follows:

- Permit-based area = 5,086.44 hectares (SK.807/Menlhk/Setjen/HPL.0/9/2021)
- Forest Area = 5,086.44 hectares
- Certified Area = 5,086.44 hectares.

The Organization has established a long-term plan through the Revision of the RKUPHHK-HTI for the 2017–2026 period, on behalf of PT Harapanjaya Makmur Lestari in Riau Province. This plan was legalized under the Decree of the Minister of Environment and Forestry No. SK.6027/MenLHK-PHPL/UHP/HPL.1/6/2019 dated June 28, 2019. According to the RKUPHHK document, the spatial allocation of the concession area comprises Local Protection Areas and Other Protected Areas of 2,706 hectares (56.38%), Staple Plant Areas of 1,677 hectares (34.94%), and Livelihood Plant Areas of 417 hectares (8.68%). To achieve the allocation of the percentage of livelihood plants of at least 20%, it is fulfilled from the Protected Area area in the form of the utilization of HHBK.

The concession is geographically located between 0°20'32" – 0°25'24" North and 102°20'28" – 102°25'44" East. Administratively, it falls within Teluk Meranti District, Pelalawan Regency, and is part of the Kutub River–Simpang Kanan River Forest Group. The boundaries of the work area are defined as follows: to the north, the HPHTI Area of PT Madukoro Lestari; to the south and east, the HPH Restoration Ecosystem Area of PT Gemilang Cipta Nusantara; and to the west, the HPHTI Area of PT RAPP Estate Pelalawan.

The area is classified under climate type A (very wet), with an average annual rainfall of 2,572 mm. Rainfall peaks in December at 277 mm and reaches its lowest in June at 122 mm. The topography is characterized by swampy lowlands with slopes entirely flat (0–8%). Soil types, based on the Land System Map, consist of alluvial or regosol, while USDA classification identifies fluvaquents (alluvial/regosol), tropaquents (alluvial, andosol, regosol), and tropohemists (peat). The geological formation is dominated by young river alluvium and peat (Qh). The Kutub River, part of the Kampar

watershed, flows through the concession. The staple crop cultivated is *Acacia crassicarpa*, and the Organization has ensured compliance with all regulations governing peatland management and sustainability.

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

The communities surrounding PT Harapanjaya Makmur Lestari consist of local Malays and immigrant groups such as Batak, Javanese, and Nias. There are no indigenous communities within or around the concession area. The primary sources of livelihood for these communities include oil palm cultivation, rubber production, and fishing. To support local welfare, the company implements Community Development programs across several sectors, including education, health, religion, economy, infrastructure, and social and environmental affairs.

Community Development assistance is generally announced during the annual RKT socialization, where proposals from villages are formally acknowledged by local leadership. In 2025, the company's CD activities included initiatives in health, economic empowerment, infrastructure, and social–environmental support. These programs were ranging from improving child health to supporting agricultural facilities, providing assistance for flood victims, and participation in the annual regional festival.

Interviews with community representatives indicated that the organization has consistently provided assistance and attention to local communities through its Community Development (CD) program. Feedback emphasized that PT Harapanjaya Makmur Lestari routinely conducts socialization activities each year, and there have been no land claims and conflicts from communities regarding the presence of their land within the concession. Stakeholders also highlighted the importance of ensuring equitable distribution of assistance, rather than rotating support between different villages in alternating years.

Regarding the non-timber forest product utilization, PT Harapanjaya Makmur Lestari has an SOP. This procedure serves as a method for conducting NTFP inventories to determine their distribution and potential, which form the basis for management and utilization within protected areas. The scope of this procedure includes the stages of implementing inventories and potential estimation surveys of NTFPs in the concession protected zones. Based on the identification results, the NTFPs present in the work area and utilized by the surrounding community are fish and damar resin.

Description of the Ecological conditions of the concession

PT Harapanjaya Makmur Lestari has designated a significant portion of its concession, which is entirely peat swamp, as protected areas totaling 2,706 hectares. This includes specific zones such as KPPN/KPSL of 454 ha and 2,254 ha of Other Protected Areas, within which peat dome peaks are maintained for soil and water conservation. These areas serve multiple functions, including water catchment, carbon storage, and biodiversity protection, ensuring that the original ecosystem remains preserved. The organization supports this by installing boundary markers, signboards, and conducting rehabilitation and patrols to prevent illegal activities and fire risks.

Operational activities emphasize compliance with environmental regulations and sustainable peatland management. Measures include avoiding prohibited pesticides, preventing waste contamination, and establishing facilities for hazardous waste management. Fertility is maintained through land suitability planning, a strict "no-burn" policy, and

silvicultural systems designed to prevent long-term land degradation. Soil density is managed through micro-planning, loosening compacted areas, and using low-impact equipment routes to minimize erosion and maintain soil integrity.

Water management is performed by constructing canal networks designed according to eco-hydrological principles. The organization maintains water tables between –20 cm and –40 cm to protect peatlands from drying and fire risks, while also preventing pyrite exposure that could damage soil health. Canal maintenance activities include dredging sediment and debris, reinforcing canal banks, and monitoring water quality and discharge at river outlets. These measures are complemented by monitoring soil fertility, groundwater levels, peat subsidence, and pyrite oxidation.

The concession area of PT Harapanjaya Makmur Lestari contains rare flora such as Meranti (*Shorea* sp.) Ramin (*Gonystylus bancanus*), Resak (*Vatica pauciflora*), and Red Palm (*Cyrtostachys renda*), alongside protected fauna including the Sumatran Tiger (*Panthera tigris*), Gibbons (*Hylobates agilis*), Blue-bellied Stork (*Mycteria cinerea*), Black-bellied Eagle (*Ictinaetus malayensis*), and White-bellied Hornbill (*Buceros bicornis*). In addition, a High Conservation Value (HCV) assessment identified multiple categories (HCV 1.1–1.4, 2.2, 3.1, 4.1, 4.2, and 4 overall), confirming the ecological importance of the site.

Results of the Public Consultation

Prior to conducting Surveillance 1 Audit on PT Harapanjaya Makmur Lestari, PT ACube TIC International has made a public announcement and public consultation. Invitation to public consultation to stakeholders to obtain input as materials/considerations through the website www.ajaindonesia.com on 10 March 2026. The stakeholders can provide input for audit considerations to PT ACube TIC International email. There is no input from stakeholders.

The audit team also collected information from the mass media about PT Harapanjaya Makmur Lestari. 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, which are registered for the certification area of 5,086.44 hectares.

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

The Recertification Audit result is no non-conformity.

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

The result of Surveillance 1 Audit is no non-conformity. The management system operates effectively.

Conditions under which the certificate is issued



Certificate number AJA/IFCC-PEFC/FMC-HT/00044/IX/2018 is valid until 10/09/2028, provided that PT Harapanjaya Makmur Lestari maintains its Surveillance schedule and does not have potential major non-conformity at the next Surveillance.