

# Public Report Sustainable Forest Management System

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## PUBLIC AUDIT REPORT – SFM

### TO BE SUBMITTED TO THE CLIENT, IFCC AND TO AJA EUROPE



CLIENT NAME: HUTAN RAKYAT KELOMPOK TANI BADAGU

TOTAL HECTARES: 2,297 ha

SCOPE OF REGISTRATION: Sustainable Forest Management of 2,297 hectares of Plantation Forest in Riau Province

STANDARD/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Stage 2

AUDIT START DATE: April 22, 2019

AUDIT END DATE: April 24, 2019

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: R Sigit Pamungkas

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Warsito

SIGNATURE:

MAJOR CARS : -

MINOR CARS : 5

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED INCLUDING COUNTRY	DATE OF EACH SITE VISIT:
Hutan Rakyat Badagu	Langgam Sub-District, Langgam District, Pelalawan Regency, Riau Province, Republic of Indonesia	April 22 to 24, 2019
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

Management of Private Forest by Hutan Rakyat (Community Forest) of Kelompok Tani Badagu (HR Kelompok Tani Badagu) based on the Community Forest Concession Agreement No. 79 / NPM / LGL / IV / 2014 dated April 14, 2014 covering an area of 2,297 ha consisting of 450 households. Legality of community land in the form of SKRT (Certificate of Land History) was issued by the Village Government and SKPT (Certificate of Land Ownership). Kelompok Tani Badagu has Articles of Association and a permit for a farmers group dated August 5, 2011, enacted in the Special Membership Meeting (RAK) of Kelompok Tani Badagu.

The Operational Implementation of the Management Unit is based on the document of Management of the Private Forest for the Period of the 2018 to 2027 of HR Kelompok Tani Badagu. The Management Unit has carried out Spatial Planning consisting of: 1) Production Area of 2,167.50 ha (94.36%), 2) Infrastructure: canal of 117 ha (5.1%) and haulage road 12.50 ha (0.54%), covering a total area of 2,297 ha.

There has been no conversion of natural forest to plantation forest after December 31, 2010 in HR Kelompok Tani Badagu work area, the work area being located outside the Forest Zone. The total area registered for IFCC certification is thus 2,297 ha, and the wood products produced can claim to be 100% PEFC Certified.

The HR Kelompok Tani Badagu work area lies between 00° 12' 27.42" to 00° 15' 24.86" North and 101° 44' 46.33" to 101° 49' 17.81" East. Meanwhile, the governmental administration of the working area of the Management Unit falls under Langgam Sub-District, Langgam District, Pelalawan Regency, Riau Province.

The boundaries of the community forest working area of the HR Kelompok Tani Badagu are as follows:

North side: PT Langgam Inti Hibrido  
 South Side: PT Mitra Unggul Pusaka  
 West side: PT Mitra Unggul Pusaka  
 East side: PT Langgam Inti Hibrido

HR Kelompok Tani Badagu has the following land conditions:

1. Land: 2,170 ha of swamp land and 30 ha of dry land.
2. Topography: flat (0-8% slope).
3. Height: 50-90 meters above sea level.
4. Land type: peat land.
5. Climate type: A (Schmidt and Ferguson).
6. Rainfall: 1,504.2 mm / year.

The species developed for production in the HR Kelompok Tani Badagu is *Acacia crassicarpa*, with a plant cycle of four (4) years.

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

The management unit of HR Kelompok Tani Badagu has an Environmental Management Document (DPLH) that has been approved by the Head of the Environmental Agency of Pelalawan Regency with a study scope of 2,200 ha located in Langgam Sub-District, Langgam District, Pelalawan Regency. Based on these documents, the social components of the community that are required to be managed and monitored include community unrest, increased employment and business opportunities, and growth in income.

According to the Private Forest Management Plan for the period of 2018 to 2027, in Langgam there are two major tribes namely Domo and Melayu. The Badagu customary tribe is one of the 29 Pebatinan (Indigenous Group) in Pelalawan District. Each region is led by a *Batin* (indigenous leader) and is called a "cultural area" or "indigenous forest area". The Badagu tribe is one of the tribes in the Langgam village that own customary land (*ulayat land*).

The customary structure in the Langgam Sub-district is chaired by a Grand Leader of Langgam in charge of *Batin*

and *Monti*. There is a Chair called Anak Jantan and there is a house of settlers (*Sompu*) as a gathering place when traditional meetings are held.

The management unit of HR Kelompok Tani Badagu as landowner has a forest management collaboration with PT Nusa Prima Manunggal, which was signed on April 14, 2014. There is evidence of profit sharing payments of plant fees in stages from 2015 and that have been settled in February 2019.

There is evidence of assistance from HR Kelompok Tani Badagu to the community, in the form of financial assistance for the construction of a mosque in February 2019.

The working area of the HR Kelompok Tani Badagu is owned by the Badagu indigenous people and legally has an official ownership letter from the Langgam Sub-District and is recorded by the Langgam District government in the form of Land Certificate. Based on information from field observations, there are no areas of problematic land. Nevertheless, the HR Kelompok Tani Badagu does have a conflict resolution procedure for when there are cases of processing and / or land ownership with certain parties (claimers) on land managed by HR Kelompok Tani Badagu.

#### Description of the ecological conditions of the concession

The Management Unit of HR Kelompok Tani Badagu undertakes activities to minimize negative environmental impacts, the results of which are reported to the requisite authorities on a periodic basis. Among the impacts monitored are various indicators relating to the health of the soil and the quality of air and water.

Components that are managed and monitored across the plantation working areas include physical, chemical and biological components. Physical and chemical components include; microclimate, air quality, soil fertility, soil erosion, river discharge, sedimentation, water quality and fire hazards. Biological components, meanwhile, include not only protected plant and animal species, but also pests and diseases that could cause disruption of the forest.

The Management Unit has identified fauna by making a pocket book for monitoring animals, the data will be recapitulated every month based on the meeting and reported to PT Nusa Prima Manunggal. HR Kelompok Tani Badagu has identified protected and endangered species, as well as their habitat and migration patterns including landscape considerations, and implements appropriate management measures to minimize the negative impacts of Management Unit operational activities on the species. Identification results indicated that there are no key species within the management area.

In order to prevent and deal with various forest disturbances, the Management Unit already has infrastructure, namely a canal network that functions as transportation for patrols and as a firebreak. In addition, there is also a fire extinguisher command post, fire tower and water reservoir for monitoring and handling forest and land fires.

While the use of biological agents rather than of chemicals is prioritized for the treatment of infestation by pests and disease, the Management Unit implements standard methods for the handling of hazardous waste materials (B3), which include an inventory of waste, source and estimated amount. All such waste is regularly collected and retained in temporary storage until its collection by a licensed disposal company.

#### Results of the Public Consultation

Prior to undertaking the Stage 2 Audit, PT AJA Sertifikasi Indonesia conducted Public Consultation commencing April 10, 2019, which asked stakeholders to provide feedback and information on HR Kelompok Tani Badagu. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website ([www.ajaindonesia.com](http://www.ajaindonesia.com)), sent to related parties via email 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 HR Kelompok Tani Badagu, such reported cases being

given material consideration in the audit process conducted by PT. AJA Sertifikasi Indonesia.

HR Kelompok Tani Badagu has identified all 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 2,297 ha.

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

Results of Stage 2 Audit of HR Kelompok Tani Badagu identified five (5) Minor Non-Conformities (NC) as listed below. No critical issues were identified.

NO	Non-conformity (NC)	Corrective Action to be Undertaken	Category
1	The Management Unit already has a List of Regulations, but has yet to evaluate their implementation.  Clause Ref. I.1.2.	The Management Unit has prepared an applicable regulation evaluation plan for HR Kelompok Tani Badagu Management.  Plans made in August will be presented with the results of evaluating compliance with laws and regulations.  The Management Unit has made a checklist of compliance with the laws and regulations "Monitoring Status-Compliance Obligation" for the period January-December 2019.	Minor
2	The Management Unit has a Vision, Mission and Objectives, but these have not been well socialized in the office, base camp, or work area.  Clause Ref. I.1.6	The Management Unit has prepared planning for disseminating vision, mission and plans for HR Kelompok Tani Badagu Management.  The plan made in June will distribute the socialization documents of HR Kelompok Tani Badagu's Vision, Mission and Forest Management Plan in office, camp and work area.  The Management Unit has already installed a sign board regarding the Vision and Mission of HR Kelompok Tani Badagu in the work area.	Minor
3	The Management Unit has not drafted or adapted SOPs for all the forest management activities that have been carried out.  Clause Ref. I.1.11	The Management Unit has prepared a SOP revision plan relating to HR Kelompok Tani Badagu Management.  Plans made in September will be presented with the revised SOPs.  The Management Unit has made improvements as evidenced by its drafting of the SOP for Planning	Minor
4	The Management Unit's documentation for recording details of the weekly visits by the Operations Coordinator do not cover all required areas for reporting	The Management Unit has prepared plans for the revision of the rules for implementation of the supervision of HR Kelompok Tani Badagu Management.  The plan made in August will be presented with the revised results of the operational supervision rules,	Minor

	to the Group Chair.  <b>Clause Ref. I.3.1</b>	which initially weekly will become quarterly from partners to Farmers Group Managers.  The Management Unit has planned a meeting on evaluation of forest management monitoring by the Badagu Farmers Group that refers to the Cooperation Agreement.	
5	The Management Unit has not yet prepared Permanent Sample Plots (PSP).  <b>Clause Ref. I.5.2</b>	The Management Unit has prepared a time frame for making Permanent Sample Plots at HR Kelompok Tani Badagu.  The Management Unit has already prepared a circular plot as of May 8, 2019	Minor

#### Conditions under which the certificate is issued

Certificate is valid until 25/06/2022, provided that HR Kelompok Tani Badagu completes all corrective actions according to the time schedule proposed in its corrective action responses and does not have the same problem on the next Surveillance Audit visit. If non-conformities are not closed out at the next Surveillance Audit, the certificate will be suspended until such time that AJA is able to perform a closeout visit.