

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: PT KELAWIT WANA LESTARI

TOTAL HECTARES: 16,433

SCOPE OF REGISTRATION: Sustainable Forest Management of 16,433 hectares of Plantation Forests in East Kalimantan Province

STANDARDS/CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Surveillance 2 (REMOTE)

AUDIT START DATE: November 01, 2021

AUDIT END DATE: November 04, 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

LEAD AUDITOR: Abdullah Mujahid

SIGNATURE:

AUDIT TEAM: Rahmat Safe'i

SIGNATURE:

Tata Sumitra

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 0

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Kelawit Wana Lestari	Ponak Village, Siluq Ngurai District, West Kutai Regency, East Kalimantan Province – Indonesia	November 01 to 04, 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 latest concession area of 17,850 ha of PT Kelawit Wana Lestari is obtained based on the Decree of the Minister of Environment and Forestry Number SK 614/MenLHK/Setjen/HPL.0/12/2018 dated December 26, 2018, concerning The Amendments to the Decree Minister of Forestry No.169/Kpts-II/2005 dated June 16, 2005, regarding the Granting of a Business Permit for Utilization of Plantation Forest Timber Products to PT Kelawit Wana Lestari for a forest area of approximately 22,065 (twenty-two thousand and sixty-five) hectares in East Kalimantan Province. The IFCC certified area is 16,433 ha after the reduction of the converted forest of 1,417 ha which occurred above December 31, 2010.

The Management Unit has a ten-year planning document of Business Plan for Utilization of Plantation Forest Timber Products (RKUPHHK-HT) for 2018 to 2027 which was approved by Decree No.6930/menLHK-PHPL/UHP/HPL.1/12/2017 on December 27, 2017. The spatial planning based on the RKUPHHK-HTI is Local Protection Area and Other Protected Areas of 3,457 ha (15,676%), Staple Plant area of 9,941 ha (45.05%), and Livelihood Plant area of 5,661 ha (25.66%). Percentages are based on an original land area of 22,065 ha, of which the balance of 3,006 ha (13.62%) forms part of the area handed over to the local government for allocation to the local community through the Social Forestry scheme (TORA).

Geographically, the concession is located at 00° 39' 11" to 00° 50' 56" South and 115° 58' 37" to 116° 10' 39" East. It falls under the government of District of Siluq Ngurai, Jombang, and Bongan, West Kutai Regency, East Kalimantan Province. The followings are the work area boundaries:

- North: Other Use Area and PT Montewani,
- East: Other Use Area, PT Teguh Swakarsa Sejahtera and HPH Balikpapan Forest Indonesia,
- South: Other Use Area and PT Kelawit Hutani Lestari;
- West: PT Kelawit Hutani Lestari and former area of PT. Meratus Kalimantan Timber.

The concession area is included as Mahakam watershed with sub-watersheds of Kelawit, Siram and Ohong. The topography is sloping to hilly with a slope range of 0% - 25% at an altitude ranges from 0 to 200 masl. The rain period starts from November to April, while the dry month period occurs from June to October. The annual rainfall is 1,938 mm, with an average of 179 mm/month. The geological conditions based on the geological map of the Sheet Longiram of East Kalimantan with a scale of 1:250,000 consists of the Tomp Formation (Pamaluan Formation) and the Tuyu Formation (Toty). The soil type is ultisol which is a type of soils that have undergone advanced weathering and come from very acidic parent materials. According to its soil type, the Management Unit develops *Acacia mangium* and *Eucalyptus pellita*.

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

There are four villages around the concession. Those are Muara Siram Village, Kendisiq Village, Muara Ponak Village and Rikong Village of Siluq Ngurai District. Most of the population in the villages of Kendesiq, Rikong, and Muara Ponak are dominated by the Dayak Benuaq, Dayak Bentian, and a small number of immigrants from the Javanese, Bugis and Kutai tribes. While in the village of Muara Siram are mostly Kutai, Banjar, Bugis and Javanese. The Dayak Benuaq and Bentian Dayak communities still maintain customs in their daily lives which include practices in funerals, weddings, treatments of diseases, and the customary fine system. The existence of *ulayat* (customary) rights is recognized by the community and the local government and where these impact any area planted by PT Kelawit Wana Lestari, the latter must obtain approval from the community.

The cooperation with the village community is in the form of HTI plantations. In addition, there are records of cooperation documents in the form of the establishment of a Community with Fire Awareness (MPA), Desa Makmur Peduli Api Village (DMPA), and cooperation in the use of Non-Timber Forest Products (HNK).

According to the village heads, PT Kelawit Wana Lestari respects the rights of the indigenous Dayak community, where there is no eviction of cultural sites (graves/sacred places) or land that has been cultivated by the community. The community is also involved in the logging activities or when the company opens a new area to be planted.

The Management Unit has a land conflict resolution procedure that describes conflict resolution mechanisms. There is a recording of the land settlement document with the minutes of the agreement attached with payment receipt, a statement of land ownership ratification, as well as HTI development cooperation with the location map. The company has a mapping and conflict resolution report which is reported to the Head of the Environment and Forestry Office of East Kalimantan Province.

PT Kelawit Wana Lestari has compiled 2021 First Quarter Report of Community Development. The assistance being realized include in health, and social and cultural fields such as mass treatment, national holidays, sports, natural disasters, village infrastructure, fuel and transportation assistance and Covid-19 assistance.

Description of the Ecological conditions of the concession

The Management Unit has carried out forest ecosystem and hydrological function management through the following activities:

- Identify forest management activities that have significant impacts, and conduct environmental impact assessments through AMDAL, RKL, and RPL documents of PT. Kelawit Wana Lestari dated July 6, 1999, and the report of the assessment is presented on the Implementation of Environmental Permits (RPL/RKL),
- Implementation of Reduced Impact Logging before, during, and after harvesting,
- Identification of areas that function for soil and water protection and being designated as a protected area, namely Local Protected Areas and Other Protected Areas of 3,457 ha (15.67%) consisting of KPSL of 893 ha (4.05%), KPPN of 1,138 ha (5.16%) and River Border of 1,426 ha (6.46%);
- Monitoring the negative impacts of forest management activities in the concession area following the AMDAL, RKL, and RPL as well as documented procedure that serves as a guide for monitoring the negative impacts of forest management activities and the controlled use of B3 (Hazardous and Toxic Materials).

The Management Unit has carried out biodiversity management through the following activities:

- Identification and inventory of protected, endemic, rare, and threatened/near-extinct flora and fauna and their habitats in the IUPHHK-HTI area, as well as environmental impact assessment per applicable regulations. The results of the identification and inventory can be found in AMDAL, RKL, and RPL documents, RKUPHHK-HTI, and RKL/RPL Reports per semester (Semester 2 of 2020 and Semester 1 of 2021) and a fauna distribution map,
- Management of Protected Areas carried out per the RKL/RPL Implementation Report, as well as SOPs for Determining Protected Areas and SOPs for Monitoring Protected Areas,
- Not cultivated genetically modified tree species but *Acacia mangium* and *Eucalyptus pellita*.

The Management Unit has carried out forest protection through the following activities:

- Identification and monitoring of disturbances in Sustainable Forest Management which is being documented in RKL RPL AMDAL documents, RKUPHHK-HTI and RKL/RPL reports per semester,
- Implementation of documented procedures to prevent and handle pest attacks as well as regulate the management of chemical pesticides, namely SOPs for Integrated Pest and Disease Management, SOP for Handling Spills of Fuel, Lubricants and Chemicals and SOP for Management of Hazardous and Toxic Waste,
- Implementation of forest protection measures against fire hazards,
- Prohibition of community grazing activity in the work area.

Results of the Public Consultation

Before carrying out the Surveillance 2 Audit, PT AJA Sertifikasi Indonesia conducted a public consultation starting October 7, 2021, asking stakeholders to provide feedback and information about PT Kelawit Wana Lestari. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to parties by email or postal mail, and published in local newspapers.

There was a public consultation response from a stakeholder which stated that the coordination of the company with the District Police and the community was quite good as well as the concern to the community in terms of manpower absorption, handling forest and land fires, and implementations of cooperation with the community.

The audit team also collected information from the mass media about PT Kelawit Wana Lestari. The reported cases were considered as part of the PT AJA Sertifikasi Indonesia audit process.

The Management Unit has identified all the requirements needed for this certification process, which consists of legal aspects which include compliance with international regulations and rules and conventions. The management system has been built to cover all activities in the certification field, registered for certification covering an area of 16,433 hectares.

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

There is no major or minor non-conformity. No critical issues are being identified.

Conditions under which the certificate is issued

The certificate is valid until April 01, 2023, provided that PT Kelawit Wana Lestari maintains its Recertification schedule and does not have potential major non-conformities at the next Recertification.