

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 SATRIA PERKASA AGUNG UNIT SERAPUNG

TOTAL HECTARES: 11,483.75

SCOPE OF REGISTRATION: Sustainable Forest Management of 11,483.75 hectares of Plantation Forest in Riau Province

STANDARD / CRITERIA: IFCC SFM & CLIENT DOCUMENTED MANAGEMENT SYSTEM

TYPE OF AUDIT: Additional Surveillance Due To Covid 19 Pandemic (REMOTE)

AUDIT START DATE: March 15, 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

AUDIT END DATE: March 18, 2021

LEAD AUDITOR: Riyadi Sigit Pamungkas

SIGNATURE:

AUDIT TEAM: Andri Wibisono

SIGNATURE:

Taryanto Wijaya

SIGNATURE:

MAJOR CARS: 0

MINOR CARS: 1

SITE NAME (Legal Name):	ADDRESSES OF COMPANY SITES VISITED including country	DATE OF EACH SITE VISIT:
PT Satria Perkasa Agung Unit Serapung	Kuala Kampar District, Pelalawan Regency, Riau Province, Republic of Indonesia	March 15 to 18, 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	
NA		

Brief Description of the concession

PT Satria Perkasa Agung Unit Serapung obtained an IUPHHK-HT (Timber Forest Product of Plantation Forest Utilization Business Permit) based on Minister of Forestry Decree No. 102 / Menhut-II / 2006 dated April 11, 2006 for an area of about 11,830 ha. It is located in Kuala Kampar District, Pelalawan Regency, Riau Province. The Management Unit later received a Decree Number SK. 60 / Menhut - II / 2013 dated January 23, 2013 concerning the Determination of the Work Area Boundary of IUPHHK-HT PT Satria Perkasa Agung Unit Serapung covering an area of 11,927.15 hectares in Riau Province. There was conversion of 443.4 ha of natural forest to plantation forest after December 31, 2010, thus, the total area for IFCC certification is 11,483.75 ha.

The RKUPHHK-HTI (Work Plan of Timber Forest Product of Plantation Forest Utilization Business) was ratified based on the Decree of the Minister of Environment and Forestry for the 10-year period from 2017 to 2026 on behalf of PT Satria Perkasa Agung Unit Serapung in Riau Province.

The Management Unit has implemented the spatial layout of its work area consisting of Local Protected Areas and Other Protected Areas of 1,831.15 ha (15.35%), Staple Plants Area of 8,015 ha (67.20%), Livelihood Plant Area of 2,081 ha (17.45%) for a total 11,927.15 ha. The Protected Areas consist of KPPN of 281 ha (2.36%), DPSL of 1,075.15 ha (9.01%), Environmental Services of 441 ha (3.70%), Riparian Area of 34.0 ha (0.28%).

The concession is geographically located at 0° 26' 03" to 0° 37' 13" North and 102° 57' 53" to 103° 06' 14" East. Based on government administration, it falls under Kuala Kampar District, Pelalawan Regency. The concession area is part of Apung River – Sangar River Forest Group.

The boundaries of the work area of PT. Satria Perkasa Agung Unit Serapung are as follows:

- North side: Former HPH concession area of PT. Alam Wana Sakti
- South side: Kampar River Border
- East side: Selat Panjang beach
- West side: Former HPH concession area of PT. Alam Wana Sakti and PT. Mitra Hutani Jaya

The topography of the work area is 100% flat, the climate is a type A climate (very wet) based on the Schmidt/Ferguson classification. Soil types based on the Land System Map consist of alluvials and Organosol Saprik. The geological formation based on the Geological Map of the Sheet Siak Sri Indrapura (0916) area of PT Satria Perkasa Agung Unit Serapung is in the old Alluvium Formation (Qp) and the Young Aluvium Formation (Qh).

The species developed as staple plant is *Acacia crassicarpa*.

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

The Management Unit of PT Satria Perkasa Agung has a long-term work plan in which it describes or identifies and recognizes the legal rights of the local community. Based on these documents, around the PT Satria Perkasa Agung Unit Serapung area, there are two villages that have become target villages, namely Serapung Village, Kuala Kampar District, and Labuhan Bilik Village, Teluk Meranti District, Pelalawan Regency.

Based on the AMDAL document review and the PT Satria Perkasa Agung Unit Serapung Social Impact Assessment (SIA) and interviews with community leaders, no indigenous peoples were found as required by law Number 41 of 1999 concerning forestry.

According to the previous audit, since August 2019 there has been no additional collaboration in forest management

with surrounding communities. There was collaboration with the community in the form of a livelihood plant cooperation, cooperation in establishing the Community Fire Awareness (MPA) and the Utilization of Non-Timber Forest Products with fishermen groups, which remain in place.

The Management Unit prepares a report on conflict data and forest conflict resolution that is addressed to the Head of the Riau Province Environment and Forestry Service, the Director General of Sustainable Production Forest Management, and the Head of the Pekanbaru Region III Production Forest Utilization Monitoring Office each semester.

Based on the 2020 Community Development program realization report, the programs realized up to the date of audit were teacher honorarium assistance, social services, health assistance, village infrastructure and facilities, and partnership-patterned plantation forestry cooperation. In addition, there was assistance in installing one (1) stake at Labuhan Bilik jetty to tie a vessel and tug-boat to avoid beach abrasion.

Description of the ecological conditions of the concession

The Management Unit has identified areas that function for the protection of the land and implemented appropriate measures to protect these areas from damage by allocating protected function area for the peat ecosystem (FLEG). In order to achieve this spatial plan, the Management Unit is implementing it in stages over a period of six years.

The Management Unit has records of peatland management in the form of construction of canals, water gates and dams to control water levels. The water management system in the concession area is a closed system (no inlet), only maintaining the available water level. For monitoring, The Management Unit has a water level monitoring point, monitoring the ground water level with a piezometer (water table) and monitoring subsidence.

Biodiversity Monitoring Activities are divided into two main activities, Vegetation Monitoring and Animal Monitoring. Monitoring activities for vegetation are in the form of monitoring the tree levels from the seedlings, stakes, poles and trees, while there is also monitoring for animals. Biodiversity Monitoring Activities were carried out in October 2019.

On the observation of vegetation at PT. Satria Perkasa Agung unit Serapung, there were protected species such as *Gonistylus bancanus*, *Palaquium burkii*, *Callophyllum pulcherimum*, etc. while the key species is the Sumatran tiger (*Panthera tigris sumatrensis*). The Management Unit has a Sumatran Tiger Management Report and conflict mitigation efforts between Sumatran tigers and humans for 2019 to 2020.

The Management Unit has a guard post and portal facilities at the entrance to the concession area and every guest is asked to provide personal data and information. Another guard post is used to assist in monitoring during extreme weather (prone to fire). As protection against fire, the Management Unit conducts routine patrols and has installed prohibition boards against unauthorized activities and forest encroachment, protection against fire, or for conservation purposes.

Results of the Public Consultation

Prior to undertaking the Additional Surveillance Audit, PT AJA Sertifikasi Indonesia conducted a Public Consultation commencing February 11, 2021, which asked stakeholders to provide feedback and information on PT. Satria Perkasa Agung Unit Serapung. The public consultation was uploaded to the PT AJA Sertifikasi Indonesia website (www.ajaindonesia.com), sent to related parties via email and / 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 PT. Satria Perkasa Agung Unit Serapung, such reported cases being given material consideration in the audit process conducted by PT. AJA Sertifikasi Indonesia.

PT. Satria Perkasa Agung Unit Serapung has identified all the 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 11,483.75 hectares.

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

According to the results of this Additional Surveillance Audit of PT. Satria Perkasa Agung Unit Serapung, there was only one (1) Minor Non-Conformity identified by the audit team.

Number	Non-Conformity	Corrective Action Performed	Category
1	Based on an examination of the accident investigation report in 2020, there was an accident to a worker. The root cause of the accident was a lack of training of the potential hazards and risks in the working area, and knowledge of machine use. Clause Ref: I.1.10	Provide OHS Socialization to workers about the hazards of machine use and installation, discipline in applying personal protective equipment (PPE) for employees and labor.	Minor

Conditions under which the certificate is issued

Certificate is valid until June 03, 2022, provided that PT Satria Perkasa Agung Unit Serapung does not have major 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 is able to perform a closeout visit.